

# City of Fernley

FY 2018 - 2019 Budget



## **Elected Officials**

Roy Edgington, Mayor  
Shari Whalen, Council Member – Ward 1  
Daniel McCassie, Council Member – Ward 2  
Stan Lau – Council Member – Ward 3  
Susan Seidl, Council Member – Ward 4  
Fran McKay, Council Member – Ward 5

## **Appointed Officials**

Daphne Hooper, City Manager  
Brandi Jensen, City Attorney  
Denise Lewis, City Treasurer  
Lori Matheus, Municipal Court Judge  
Kimberly Swanson, City Clerk

## **City of Fernley Department Heads**

Vacant, Building Official  
Derek Starkey, City Engineer  
Timothy Thompson, Planning Director  
Dave Whalen, Public Works Director

## YOUR GUIDE TO THE CITY OF FERNLEY BUDGET

This guide provides the reader with a brief overview of the City of Fernley budget document. This document is divided into sections which take the reader from general budget information and policy to specific information on departmental operations, followed by supplementary information.

The following sections are included in the City of Fernley budget:

**Preface:** This provides the reader with a list of City Officials, a table of contents and a program index.

**Section I:** The **Introduction Section** contains the City Manager's budget message which describes the major issues facing the City this year and in the future. This section also contains overview charts of the City, summary information which describes the City's overall goals, the City Council priorities, and a chart of the organization.

**Section II:** The **Budget Summary** provides an overview of the City's budget. It includes a summary table of authorized positions and a summary table showing the change in financial position for each fund. The major revenue sources and expenses by function for all funds are described. General Fund revenues and expenses are briefly described as well. Summary tables and charts are used throughout this section.

**Section III:** The **Department Budgets** section describes each operating department in total and by program, regarding funding, staffing, and revenue sources. The program pages describe the purpose and objectives of the program and the performance measures used to measure success.

**Section IV:** The **Enterprise Funds** section describes the separate funds established to account for separate municipal services for which a fee is charged in exchange for goods or services.

**Section V:** The **Special Revenue Funds** are required to account for the use of revenue earmarked by law for a particular purpose.

**Section VI:** The section on the **Capital Improvement Plan (CIP)** briefly describes the process used to identify the City's capital requirements for the five years and issues for the current year. Summary tables list the projects approved for this year as well as specific descriptions for each request.

**Section VII:** The **Debt Administration** section describes the City's debt policies, current debt obligations, and the expected fee required to service existing debt.

**Section VIII:** The **Budget Structure** section describes the funds and fund types used by the City.

**Section IX:** This section provides a description of the **Policies and Procedures** used by staff to develop and implement the budget. The budget calendar is also presented.

**Section X:** This section contains a **Community Profile** of the City.

**Section XI:** The **Glossary** defines some of the common terms and acronyms used in the budget.

**Section XII:** The **Final Word** provides the reader with an ability to provide feedback on this document.



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# Section I - Introduction

## City Manager's Message

On behalf of the City of Fernley, I am privileged to present the City of Fernley Fiscal Year (FY) 2018/2019 Budget. As FY 2017/2018 closes, we remain optimistic about the financial stability of the City of Fernley. For FY17/18, City Council directed staff to pursue priorities of asset management and a funding plan with a focus on fees and alternative revenue generation tools to support the FY 2017 - 2021 Strategic Plan for Water Enterprise, Sewer Enterprise, and General Funds.

With this in mind, several items were completed:

**Water and Sewer Rates:** As of January 2017 (residential rates) and July 2017 (commercial rates), the City of Fernley implemented new increased water and sewer rates to manage costs and address aging infrastructure and deficiencies. The utility rates are used to provide services, and maintain infrastructure, while preserving adequate cash reserve to handle any planned repairs or emergencies (per NRS 354). An annual increase will take effect each July for the next three (3) years. Rates will be reviewed for potential adjustments during the annual budget review.

**Water Ancillary Fee:** Council adopted a resolution for the water ancillary fee (previously called the water bond debt fee). This fee will be collected as part of the Lyon County Property Tax Statement in an amount equal to the annual Water Enterprise Fund debt service payments (principal and interest). This amount will be reviewed annually for potential adjustment based on the revenue requirement for the upcoming fiscal year and based upon the number of meters in the system.

**Business License Fees:** The City Council adopted Resolution 16-027 to modify the business license fee structure based on gross receipts for certain business classifications and established fees for specialty businesses. The new fee structure became effective January 1, 2017. As a result, there has been an increase in projected revenue for FY 2018/2019.

**Building Permits and Development Services Fees:** The Building Permit and Development Services Fees were not updated since 2008. In September 2017, the City Council adopted a resolution to fix, impose, and collect service charges for various services primarily benefiting individuals or groups rather than the public at large, specifically building permits and development services. The purpose of the fees is to recover the cost of providing the services associated with planning application, land division, engineering, and building permit review. The recent adjusted fees are reasonable and are now consistent with the fees of other local jurisdictions.

**Redevelopment District:** In June 2017, City Council adopted a resolution to examine, explore, and assess the feasibility of establishing a Redevelopment Area and a Redevelopment Agency, as laid out in NRS 279. Redevelopment and reuse are

processes for taking previously developed property or areas to a higher, more productive use. The redevelopment process may provide benefits such as increased revenue streams from increased levels of economic activity, sales tax revenue, business license revenue, transient lodging tax revenue, and gaming revenue. It provides a long-term financing strategy to address long-term economic and social trends, and allows for the pursuit of new and transformative projects and initiatives.

**Other Revenue:** Staff will continue to analyze existing revenue streams that need to be adjusted in the upcoming Fiscal Year, including, but not limited to franchise fees, transient lodging fees, and animal licensing fees.

Planning continues to be an important goal for the City. On December 7, 2017, City Council set the priorities for FY 2018/2019, directing staff to continue the previous fiscal year's priorities of revenue analysis and asset management with a focus on planning and plan implementation for the coming fiscal year, with additional discussion on details at the budget hearings.

The Five-Year Strategic Plan (2017 - 2021) was adopted by the City Council on October 19, 2016 and provides further guidance for priorities and budgeting.

City planning efforts include:

**Communications Plan:** A strategic communications plan was developed in coordination with the organizational strategic plan. This effort was in response to the challenges within the City of Fernley related to growth and development and the need for new or expanded service delivery. Along with the increased demand for public services from area residents, property owners, and businesses is a growing insistence of increased awareness regarding the City's policies, actions, implementation, and administration. (Accepted September 2017).

**Water Resource Plan:** Funding is proposed in the FY 2018/2019 budget focusing on limited resources in managing the water resource program. This plan will officially document and provide policy related to the City's ability to provide a sustainable water supply to customers in periods of above and below average precipitation.

**Surface Water to Water Treatment Plant:** Funding will be allocated in the FY 2018/2019 budget using in-lieu-of fees, which is intended to expand the use of surface water within the City of Fernley. Diversification of the water supply to use surface water will assist in sustainability and will be carried out over several years.

**Master Plan:** Staff appropriated \$100,000 in FY 2017/2018 to update the master plan. This plan provides guidance on the location of different types of development to protect public health, safety, and welfare. It includes several different elements as well as an action plan to address specific development and quality of life issues within the City.

With growth and development at the forefront of the City, planning efforts are critical for sustainability and smart growth.

**Growth and Development:** The City of Fernley adopted Resolution 17-020 establishing policies related to new development. How and where the City of Fernley chooses to grow has a direct impact on revenues and the City's ability to provide services to residents. Providing for the timely, orderly, and efficient arrangements of adequate public facilities and infrastructure that support existing and planned land use patterns and densities will benefit the residents of Fernley by ensuring any development will be fiscally sustainable. Focusing planning efforts on fiscally sustainable development will, at the very least, help to preserve and maintain the quality of life enjoyed throughout the City and may very well better some of the quality of life indicators.

**Parks Master Plan:** The primary purpose of the Parks Master Plan update is to ensure the City's fiscal resources are appropriately utilized and that parks, trails, and open spaces meet the needs of the community and enhance the quality of life for residents. This plan provides recommendations for funding, a list of improvements for short and long-term implementation, and a high-level of review and recommendations for operations and maintenance. The plan was adopted in September 2017, and funding has been allocated in the FY 2018/2019 budget to begin implementation.

**Water Conservation Plan:** The Bureau of Reclamation reviewed the City of Fernley Water Conservation Plan and it meets the requirements contained in the Mid-Pacific Region's 2014 Standard Criteria. The Plan shall be revised at five-year intervals beginning October 1, 2022.

## **Revenues**

Property tax, also known as "ad valorem," is based on the value of property, both real and personal. It is used to partially fund the expenditures of local governments.

Nevada's Constitution (Article 10, Section 5) caps the property tax rate at \$5.00 per \$100 of assessed value. It is further capped by statute (NRS 361.453) at \$3.64 per \$100 of assessed value, plus 2 cents approved by voters in 2002 for the protection and preservation of natural resources in Nevada. Currently, the maximum rate per \$100 of assessed value that may be levied is \$3.66. Property in Nevada is assessed at 35 percent of its taxable value. With the economy recovering, assessed valuation continues to increase. Ad valorem (property) tax continues to be the primary source of revenue for the City of Fernley.

Local government budgets are constrained by the amount of revenue that will be generated under the partial tax abatements which limits the increase in property tax to 3 percent for the owner-occupied single family residences and no more than 8 percent for other property.

While the City is maintaining operations, the City of Fernley continues to face challenges with limited Consolidated Tax revenue and the handicap of the property tax structure within Nevada. Abatements affect governmental services and will continue to do so. Property taxes affect governmental services at all levels. Abatements are projected to increase, which means the City will need to continue to identify alternative revenue sources and prioritize programs and services.

The General Fund revenue projection for this year includes property taxes at \$2.6 Million (including delinquent tax). The pre-abated amount was \$4.3M, and abatements were 45.68%. With growth and development increasing in the City of Fernley including commercial and industrial growth, building permit fees include a projected increased from an actual estimated amount of \$559,300 in FY 17/18 to \$650,000 in FY 18/19. The consolidated tax amount for FY 17/18 was \$155,860. For FY 18/19, the amount is \$166,691, a 6% increase. The anticipated County Roads contribution is \$180,000, the same as the previous year. The City restructured the business license fees effective January 1, 2017, and with the inclusion of specialty businesses, the amount projected for FY 18/19 is \$445,000.

With the implementation of the Water/Sewer rate study, revenues are anticipated to cover the maintenance and operations and capital needs for the enterprise funds. The water ancillary fee will continue to cover the full amount of the bond debt (principal and interest). The final rate for the fee is calculated in May and accounts for the total amount of the cost to pay the bond debt (principal and interest) for the fiscal year, divided by the number of meters in the system with a ratio based upon meter size.

During FY 2017/2018, the City completed a compensation and classification study that provides an adjustment to the current wage scale. This proposal includes an adjustment to the wage scale, including an increase for those positions falling below the wage scale, and a 2% increase for all other employees. These funding requirements are included in the budget as well as an anticipated 5% increase has been included for health insurance.

The City is continually working on program effectiveness and efficiency. This year, each department has tied department goals to the Strategic Plan. Additionally, a performance measure is included for the department goals. This will begin to provide data to gain a true understanding of the resource needs for the City's programs and services.

While the City continues to strive for providing essential municipal services with limited resources, the budget presented is balanced and represents the needs of the City. Thank you to our incredible and diligent leadership and staff for everything they do to provide quality programs and services the residents of the City of Fernley.

Respectfully,  
Daphne Hooper  
City Manager

## Highlights for Position Changes for FY 2018/19

Staffing considerations for this year's budget include the following:

### General Fund:

New positions:

- **Associate Planner:** The Planning Department is requesting the unfunded position of Associate Planner be funded for FY 18/19. This will provide three (3) full-time planning staff to meet the anticipated service demands.
- **Associate Engineer:** The Engineering Department is requesting the unfunded position of Associate Engineer be funded for FY 18/19 to provided for anticipated increased service demands.
- **Maintenance Worker I:** The Streets and Storm Drain Division is requesting to remove the two (2) seasonal workers to assist the City with City-wide weed abatement, storm drain maintenance, and pothole repair during the spring through fall months. Instead, staff requests to hire a full-time equivalent in lieu of the two (2) seasonal positions. When the Streets division is attempting to make repairs in the rights-of-way, the division has two (2) employees, which are needed to provide proper traffic control. This leaves two employees to operate equipment and perform repair work. The fifth staff member would provide relief to this potentially dangerous situation. It should be noted, repairs are performed year-round. Water and sewer leaks or repairs occur at inopportune times and conditions. The streets crew is tasked with responding to repaired areas with asphalt or other materials once the utilities are fixed and back-filled.
- **Maintenance Worker II:** The Parks Division is requesting a Maintenance Worker II position. Fernley currently has three (3) full-time equivalent (FTE) staff. In comparison to the comparable communities in the Parks Master Plan, this is significantly below the average of 14 FTEs other cities employ. When evaluating the number of FTEs by acres of park, Fernley has approximately one (1) maintenance worker for every 27 acres of park. On average, the other communities have one (1) maintenance worker for only 18 acres of park. Fernley staff maintain 35% more park area per employee. Adding 1.5 to 2 FTEs would bring Fernley more in alignment with other communities based on current park acreage. That number would need to increase with additional park development to satisfy future needs. For reference, NRPA's 2017 Agency Performance Review shows that typically jurisdictions have 7.3 FTEs on staff for every 10,000 residents (for Fernley that would equate to 14.2 FTEs). It should be noted, that this metric includes staff for recreation programming. As Fernley looks to the future, the City should consider steps to provide programming to residents. Staff recommends that the currently unfunded Maintenance Worker II position be funded for this fiscal year to bring the department to 4 FTEs. This will help balance the department by providing



pairs of personnel to do small projects that will add an additional staff to help with the larger projects the department has been completing. The current Maintenance I personnel would have the opportunity to advance, and the Maintenance I position could be opened up to internal and external advertisement. Two seasonal help positions are requested for this fiscal year, similar to last year, as these positions assist the department during the heavy workload in the summer months and give the opportunity to staff the parks during evening hours. This helps deter vandalism and keep the parks clean and restrooms stocked during the busiest time.

- **Legal Secretary I (.48 FTE):** When the City approved the Deputy City Attorney position over two years ago, the City Attorney noted the case load was too much for one person to handle in combination with the civil case load. The City approved the Deputy Attorney position. As the City continues to grow, the number of civil and criminal cases in the City Attorney's Office increases. Currently, the criminal case load is heavy, not allowing the current legal assistant to assist in the civil areas of law. By providing a second legal secretary position, it will prevent overburdening the current Legal Assistant. This promotes retention and the ability to promote with the current ladder established for the Legal Secretary classification.
- **Vector Control/Weed Abatement:** With the proposed reorganization of the Parks and Facilities Fund into a General Services Division, staff is requesting the creation of a Vector Control/Weed Abatement position. Staff will utilize contract services for the remainder of FY 2017/2018 to ensure vector services are provided. Moving into FY 2018/2019, Staff will complete a job description, which will be presented to City Council for approval, including reviewing the certification requirements and come up with a plan to fill the position during the year. Until the position is filled, staff will continue to outsource these functions.

#### **Reclassifications:**

- **Administrative Specialist II:** The City Clerk's Office is requesting a reclassification of the Administrative Specialist I to an Administrative Specialist II. The duties required for this position within the City Clerk's office fall in line with the job description outlined for an Administrative Specialist II, including reviewing, approving, and denying applications and determining eligibility, rather than simply reviewing information submitting to another staff member for final determination. Further, this position transcribes and distributes written minutes from City Council meetings, which is specifically stated within the Administrative Specialist II job description. The impact to the budget is approximately \$2,184.
- **General Services Foreman:** With the recent changes in the Facilities Division, staff is requesting a reorganization for the Parks and Facilities Division. The Facilities Foreman position has been eliminated, and the Parks

and Facilities Divisions have been combined. This new General Services Division will have one Foreman (reclassification of the Parks Foreman), one Senior Maintenance Worker, the current positions for the Parks Division (including the additional one approved at the tentative budget) and the Maintenance Worker II position in Facilities. A Maintenance Worker/Vector position remains unfunded on the organizational chart. This will allow staff the ability to determine the future resources necessary for Vector Control. Staff is also requesting that the current seasonal position in Facilities be changed to a permanent part-time position. This change will save approximately \$75,000 in the budget. Staff is working on the Vector component, and is recommending that this be outsourced until staff has an opportunity to gain a better understanding of the resources needed to ensure a successful vector program.

- **Permanent Part-Time Maintenance Worker:** With the proposed reorganization of the General Services Division, staff is requesting that the current seasonal position in facilities be changed to a permanent part-time position.

#### **Wastewater Enterprise Fund:**

##### Reclassifications:

- **Lead Operator:** The Public Works Department would like to reestablish the organizational chart to include the Lead Operator, the Shift Operator, and the Utility Operator. Two positions are currently under-filled. By reestablishing these positions, the career ladder that was originally implemented would be reestablished and the positions would be filled appropriately.
- **Shift Operator:** The Public Works Department would like to reestablish the organizational chart to include the Lead Operator, the Shift Operator, and the Utility Operator. Two positions are currently under-filled. By reestablishing these positions, the career ladder that was originally implemented would be reestablished and the positions would be filled appropriately.

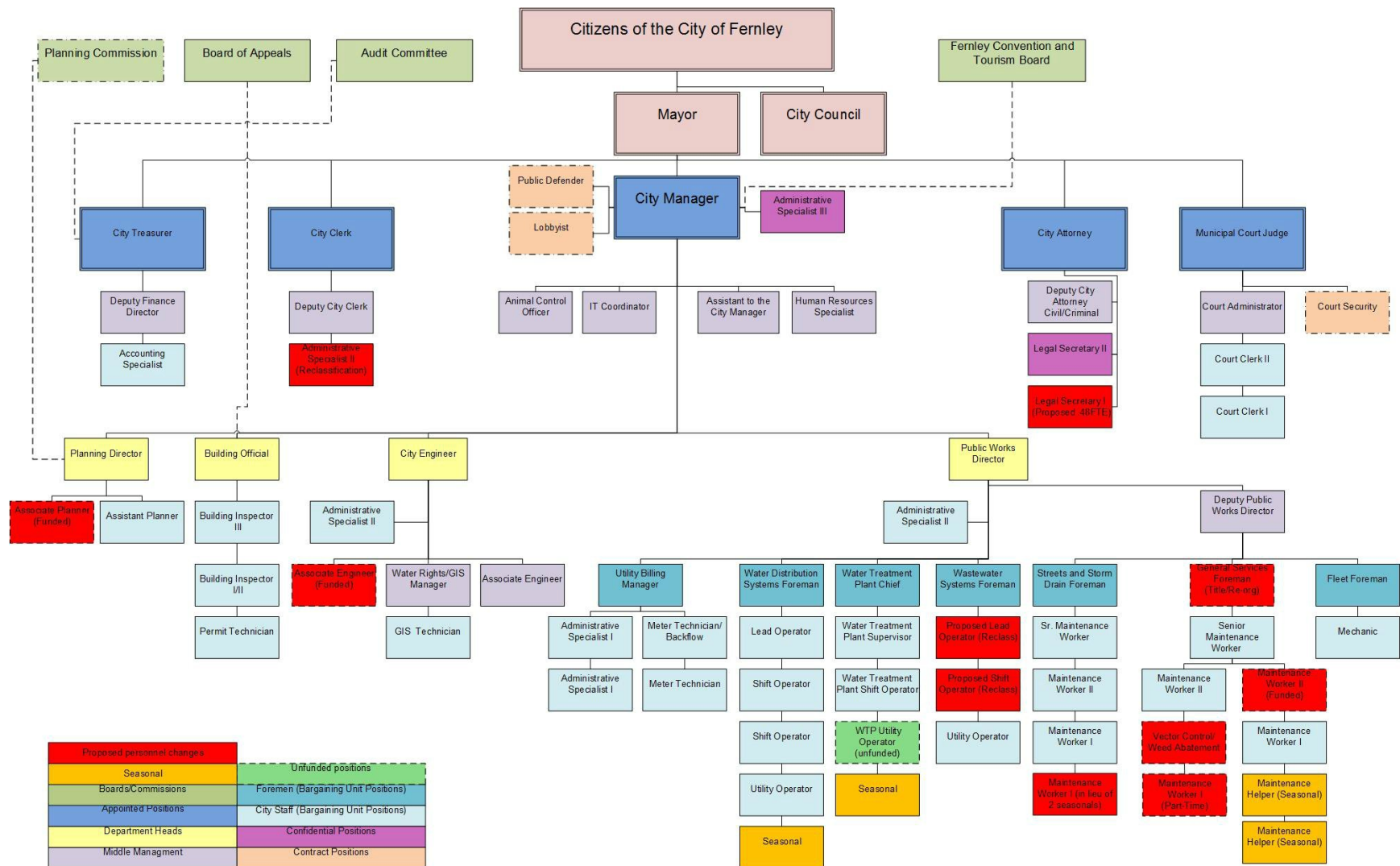
Salary and benefit increases have been included in the position control based upon negotiations with the union regarding the classification and compensation study that was complete by the City in FY 2017/2018.

## Position Control

The position control document provides the cost of salary and benefits for position funded at the City of Fernley. This year, the proposed position control includes funding to support a change in the wage structure for the City.

During FY 2017/2018, the City had a classification and compensation study completed. Recommendations from this study are currently being negotiated with the Union, and a final recommendation will be provided to the City Council for approval. The anticipated costs have been included in the recommendation as well as requested position changes as mentioned above. As a result of the classification study, the Human Resources Specialist will be changed to an exempt classification.

A copy of the position control document is provided in [Appendix A](#).



### **Preamble**

In service to the public, and united by the basis of tradition and leadership, the City of Fernley values, at its core, trust, innovation, and engagement through communication in the achievement of the City's Mission and Vision and the community goals and organizational goals outlined in this strategic plan for Fiscal Year 2017 through Fiscal Year 2021.

### **Core Values**

Trust, Innovation, and Engagement through Communication

### **Mission**

It is the mission of the City of Fernley to provide all municipal services in a proactive, innovative, and fiscally responsible way to continue to enhance the community's quality of life, provide a high level of responsive local government services, and promote future prosperity and the balanced growth of the community.

### **Vision**

It is the vision of the City of Fernley to deliver and provide public services in a way that is fiscally stable and results in a safe, responsive, forward-thinking, and collaborative community. The City of Fernley strives to be an organization that is responsive to change and public needs by being proactive rather than reactive and to aspire and excel at providing enhanced and excellent municipal services.

## Community Goals

**Community Goal Number 1:** To explore and promote opportunities for economic development and planned redevelopment in ways that are consistent with the community's historical and current identity.

The City must provide clear and consistent policies and procedures to support our growing and dynamic community while keeping Fernley a great place to live, work, and play. The City must strive to encourage sustainable job growth and expansion and create opportunities for growing local businesses.

**Community Goal Number 2:** To promote citizen engagement and build strong alliances with other government entities, private sector partners, and members of the community.

Citizen engagement means developing and maintaining the interest of the community's citizens to participate in the structure and operations of the City. The City should encourage the community's citizens to participate in the City Council meetings and attend public events.

**Community Goal Number 3:** To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.

In a fiscally stable and responsible manner, the City of Fernley should continue to prioritize and fund infrastructure projects that require the greatest attention in terms of maintenance and reconstruction and communicate openly with the community's citizens about how each project will continue to preserve, maintain and enhance the community's quality of life.

## Organizational Goals

**Organizational Goal Number 1:** The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's financial planning.

The City of Fernley must continue to strive to identify and create new revenue sources. The City of Fernley should explore the possibility of using redevelopment, the use of a room tax, impact fees, business license fees, special assessment districts, different public and private partnerships, and federal, state, and non-profit sector grants as possible alternative sources of funding for projects and programs identified as essential by the City and the community. The City must strive to educate the community and engage residents regarding the City's financial position and the possible need and potential benefit of pursuing and implementing different funding sources.

To achieve this goal, the City of Fernley should strive to recruit and retain new and existing businesses as a way of broadening and expanding both the community's economic base and tax base. Controlled growth, designed to promote balance for both businesses and residents, is needed and the City will need to develop and implement a stable and fair business license fee structure.

**Organizational Goal Number 2:** The City of Fernley, as an employer, must strive to create and maintain a successful and efficient work environment.

The community recognizes and appreciates the dedication of the City of Fernley's workforce and understands the City's existing staff provides our community with excellent public services that makes Fernley a great place to live, work, and play already. Together, with the citizens of the City, we enhance the safety, friendliness, aesthetics, and quality of life of our community.

While considering the financial resources available to the City, the City of Fernley must strive to make sure all available positions are filled with highly trained and competent employees. The City should provide ongoing training and recertification of its employees and employees should be encouraged to complete ongoing training and recertification.

## **Implementation Measures**

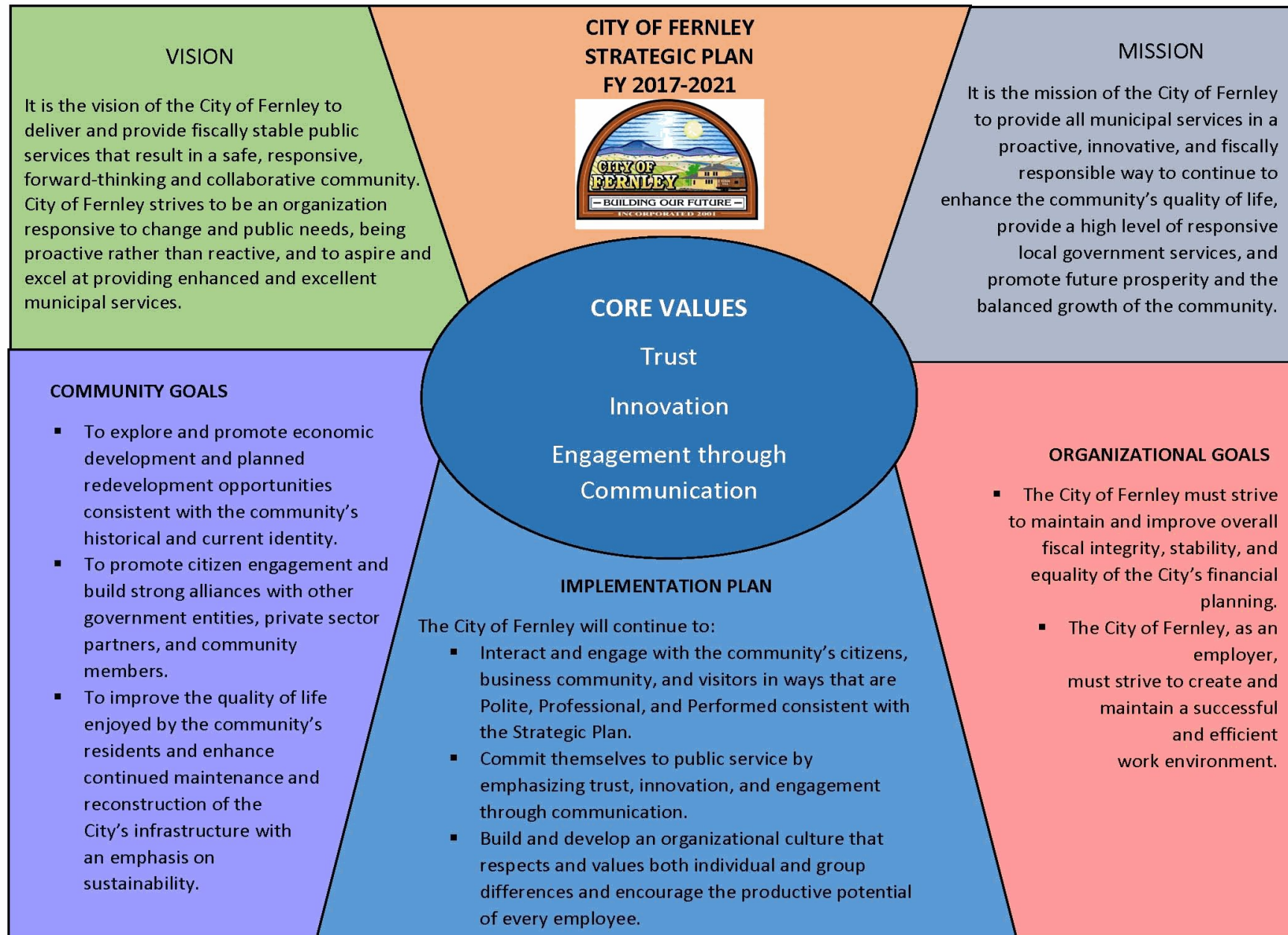
The City of Fernley will continue to employ three primary implementation measures for this strategic plan beginning in Fiscal Year 2017 and running through Fiscal Year 2021.

**Implementation Measure Number 1:** The City of Fernley and the City's current and future staff will continue to interact and engage with the community's citizens, business community, and visitors to the City in ways that are polite, professional, and performed consistent with the City's Fiscal Year 2017 through Fiscal Year 2021 Strategic Plan.

**Implementation Measure Number 2:** The City of Fernley and the City's current and future staff will continue to commit themselves to the service of the public by emphasizing trust, innovation, and engagement through communication.

**Implementation Measure Number 3:** The City of Fernley and the City's current and future staff will continue to build and develop an organizational culture that respects and values both individual and group differences and encourage the productive potential of every employee.







## **City Council Priorities**

On December 7, 2017, City Council directed staff to continue the previous fiscal year's priorities of revenue analysis and asset management with a focus on planning and plan implementation for the coming fiscal year with additional discussion on details at the budget hearings.

This direction has been taken into consideration for the development of the Budget for FY 2018/2019. A formal action plan will be developed by staff to ensure the strategic plan is reviewed and implemented during the upcoming fiscal year.

## Section II - Budget Summary

## Revenue Sources

### Property (Ad Valorem) Taxes:

NRS 361 determines the procedure for assessment and levy of taxes on real and personal property in Nevada. The County Assessor performs certain assessments and the State of Nevada performs other assessments (centrally assessed property). Tax levies are expressed in terms of dollars for \$100 of assessed value. The assessed valuation of the property is computed at 35% of “taxable value” as determined by County and State assessments per statutes. The amount of tax is determined by multiplying the assessed value by the tax rate applicable to the area in which the property is located divided by 100.

The Fernley City Council annually establishes the tax levy for the City, subject to certain statutory limitations. Each “Local Government Taxing Unit” in Lyon County is subject to a limited Allowed Rate determined annually pursuant to statutory formulas based on growth factors. The Fernley City Council may not establish a levy greater than the “Allowed Rate.” Voters may approve imposition of rates above the “Allowed Rate” and the Nevada State Legislature may impose rates above the “Allowed Rate.” The total combined rate for all “Local Government Taxing Units” in a single district may not exceed \$3.66 per \$100 of assessed value.

The City of Fernley allowed Rate for FY 2018/19 is 0.6718 per \$100 of assessed value, an increase of .005 from the prior year.

The following table shows a hypothetical FY 2018/2019 tax bill for the owner of a \$100,000 home within the City.

Local Government Taxing Unit	Levy	Tax
State	0.1700	59.50
School District	1.3367	467.85
Lyon County	0.9287	325.05
City of Fernley	0.6718	235.13
Fernley Swimming Pool District	0.2000	70.00
North Lyon Fire Protection District	0.3023	105.810
<b>Total</b>	<b>3.6095</b>	<b>1,263.34</b>

**Licenses and Permits:**

**Business Licenses:** Effective January 1, 2017, the City of Fernley implemented a new fee schedule for Business Licenses, which includes collection based upon gross receipts.

**Franchise Fees:** The City will begin review of franchise fees within the City to determine if an increase is needed.

**County Gaming License:** NRS 463 relates to licensing of gaming activity in Nevada. Lyon County is authorized to issue gaming licenses per NRS 463. Per NRS 463.323, Lyon County pays the City 75% of the revenue from gaming licenses collected from businesses within the boundaries of the incorporated City. The City estimates the City's share of the County license will be approximately \$116,693 in FY 2018-19 based on the trend of amounts received from this revenue source in prior years.

**Building Permits and Fees:** Upon incorporation, the City of Fernley instituted building permit and related fees. The City anticipates revenues of approximately \$650,000 from building permit fees during FY 2018-19.

**Planning and Zoning Fees:** The City imposes certain planning and zoning fees. The City anticipates revenues of \$100,000 from planning and zoning application fees for FY 2018-19.

**Intergovernmental Revenues:**

**Consolidated Tax:** Consolidated Tax (CTAX) revenues includes sales and use taxes, cigarette and liquor taxes, motor vehicle privilege, and real property transfer tax. These taxes have been brought together into a consolidated tax. They are collected by the State, consolidated, and then distributed to the various governmental agencies based on a series of formulas developed by the Nevada Department of Taxation. Population, assessed value, and growth rates are factors used in the distribution formula.

Consolidated Tax is distributed to Lyon County, incorporated cities, and other districts in Lyon County pursuant to a statutory formula described in NRS 360.600 through 360.740. The estimated FY 2018-19 and prior year's distribution of consolidated tax in Lyon County is shown in the following table:

Fiscal Year	County C-Tax Revenue
2008	16,165,066
2009	15,858,014
2010	14,776,985
2011	13,157,132
2012	12,231,335
2013	12,696,590
2014	12,615,485
2015	13,722,421
2016	14,469,457
2017	14,867,641
2018	14,928,401
2019	15,608,849

The Town of Fernley received a consolidated tax distribution prior to incorporation and the City of Fernley continued to receive the distribution based on the initial amount established for the town government. The following table shows the City's historical distributions of consolidated tax:

Fiscal Year	City C-Tax Revenue
2008	197,000
2009	202,000
2010	170,000
2011	130,000
2012	131,000
2013	133,000
2014	136,000
2015	143,000
2016	145,000
2017	151,000
2018	155,000
2019	163,700

**Motor Vehicle Fuel Taxes (Gas Taxes):** The City of Fernley receives an allocation of certain taxes levied on sales of motor fuel. The State of Nevada administers the collection and distribution of proceeds to counties in the State. Lyon County disburses the City's portion of gas taxes to the City monthly. In addition to gas tax directly disbursed to the City, the City is entitled to a portion of gas tax distributed to the Lyon County Regional Transportation Commission (RTC), a statutory board established to account for a specific tax on sales of motor fuel. These funds are restricted for use in maintenance or capital projects relating to City streets. Projected revenues, excluding RTC revenues, for FY 2018-19 are \$406,836.

**Road Ad Valorem Tax:** Pursuant to NRS 403 and NRS 266, the City of Fernley is entitled to a portion of the ad valorem tax collected in the Lyon County road fund based on relative assessed value. Prior to FY 2003-04, Lyon County stopped the levy in the road fund and levied the tax in the County general fund instead. This eliminated the legal requirement to share the revenue with the City. Lyon County decided to provide an amount to the City in lieu of the lost revenue since the City assumed the expenses previously associated with this revenue. In the County's FY 2017-18 budget, the County Commissioners provided \$180,000 to the City of Fernley. For FY 2018-19, the City anticipates the same amount will be provided to the City of Fernley.

**Parks Agreement:** Lyon County has a policy to provide funding to Cities and other districts in the County for parks. In FY 2017-18, the City received \$60,000 from Lyon County for parks. The City anticipates the same amount from Lyon County for FY 2018-19.

**Municipal Court Fines and Forfeitures:** The City of Fernley operates a municipal court and receives fines, forfeitures, and other fees from cases adjudicated in the court. The revenues expected for FY2018-19 is \$215,125.

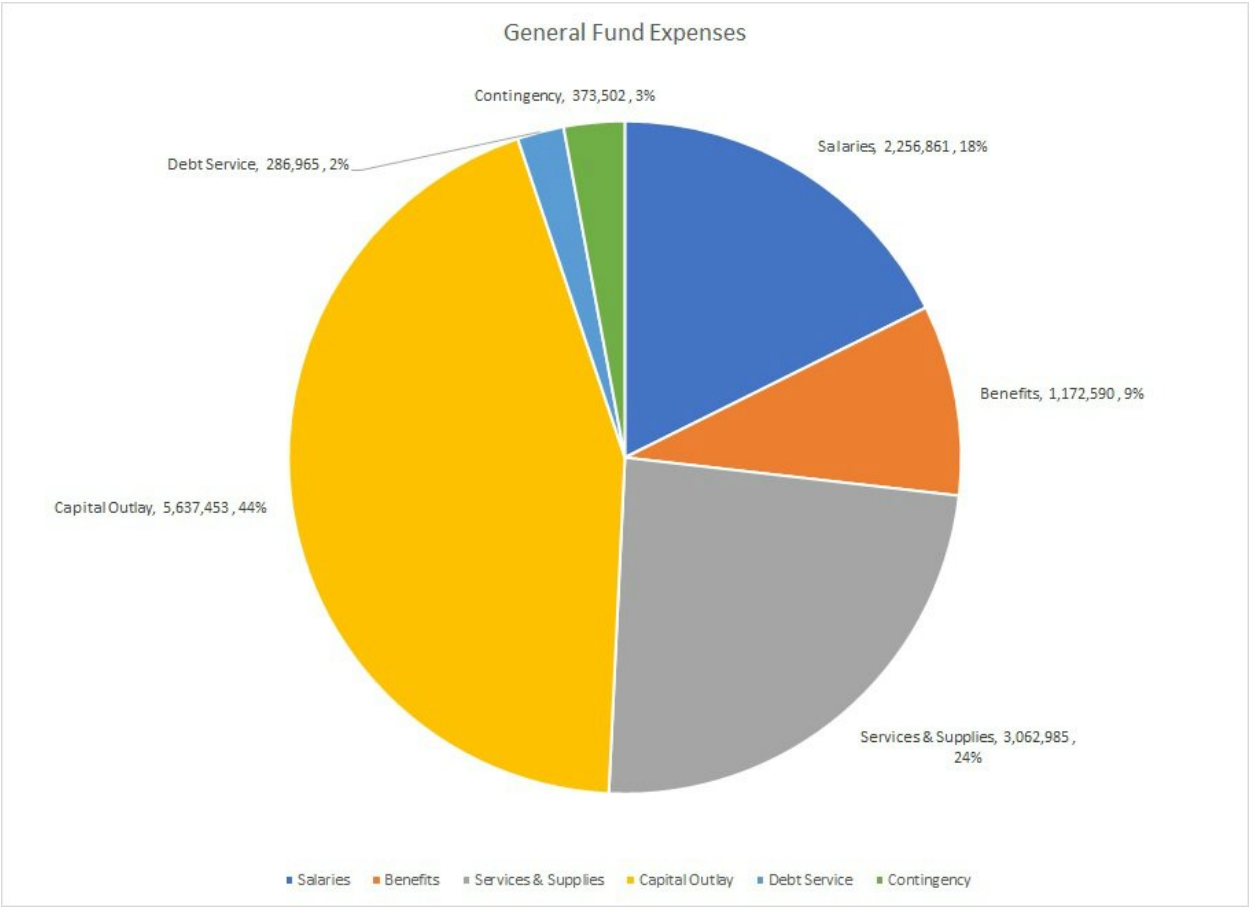
<b>General Fund Revenue Summary</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2018-19</b>
	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2019</b>
<b>Revenue</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual Estimated</b>	<b>Tentative Budget</b>	<b>Final Budget</b>
Property Taxes	2,297,252	2,434,345	2,434,345	2,610,469	2,610,469
Property Taxes-Delinquent	29,974	25,000	25,000	25,000	25,000
Business License Fees	280,854	230,000	230,000	445,000	445,000
Franchise Fees	1,182,196	1,240,000	1,240,000	1,200,000	1,200,000
Liquor License Fees	22,700	31,000	31,000	25,000	25,000
Gaming License Fees	116,693	120,000	120,000	116,693	116,693
Licenses-Animal	3,665	5,500	10,500	11,000	11,000
Passport Fees	10,790	8,000	8,000	8,000	8,000
Building and Civil Permit Fees	460,371	545,310	559,300	650,000	650,000
Planning and Zoning Fees	28,000	30,000	30,000	100,000	100,000
Public Works/Civil Fees	8,970	5,000	10,000	10,000	10,000
PublicWorks/Civil Inspect Fees	2,295	10,000	10,000	20,000	20,000
Other Fees (eg. Copies etc)	931	1,000	1,000	1,000	1,000
Consolidated Tax (CTX)	154,423	155,860	155,860	166,691	166,691
Motor Veh Fuel Tax (Gas Tax)	378,322	384,339	384,339	406,836	406,836
RTC Shared Revenue	301,841	3,700,000	272,125	3,900,000	3,900,000
County Parks Agreement	60,000	60,000	60,000	60,000	60,000
County Roads	180,000	180,000	180,000	180,000	180,000
Administration Fees	2,224	500	2,000	1,000	1,000
Penalties/Fines Municipal Court	203,597	150,000	213,000	215,000	215,000
Community Service Fee	145	100	150	125	125
Muni Court Warrant Fees	—	—	—	—	—
Muni Court Misc Fees	—	—	—	—	—
Interest Earnings	20,574	10,000	20,000	15,000	15,000
Interfund Overhead Rent	—	—	—	—	—
Interfund Revenue" Bldg/Plan"	—	—	—	—	—
Cemetery Burial/Cremation Fee	1,500	—	1,500	1,500	1,500
Cemetery Plot Fees	—	—	—	—	—
Park Facility Rental Fee	—	—	—	—	—
Donations-Parks	—	—	—	—	—
Donation-City Sponsored Events	2,425	2,000	1,725	1,800	1,800
Donations - Pony Express	—	—	—	—	—
Miscellaneous Revenue	16,679	15,000	12,000	49,000	49,000
Credit Card Fee	42,867	41,000	47,000	47,000	47,000
School RCT Admin Fee	—	—	—	—	—
Transfers In	—	—	—	—	—
Sale of Assets	7,695	—	—	—	—
<b>Total General</b>	<b>5,816,982</b>	<b>9,383,954</b>	<b>6,058,844</b>	<b>10,266,114</b>	<b>10,266,114</b>

\*Amount does not include Parks Facilities Fund or RCT Fund (See table on page following for total amount).

<b>General Fund Revenue Summary</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2018-19</b>
	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2019</b>
<b>Revenue</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual Estimated</b>	<b>Tentative Budget</b>	<b>Final Budget</b>
Parks Facilities Fund does not meet the true definition of a fund, so it is included in the General Fund.					
Interest Earnings	282	150	250	350	350
Park Rental Fees	12,630	10,000	13,000	25,000	25,000
Facility Rental Fees	1,593	1,000	2,500	2,500	2,500
<b>Total Parks Facilities</b>	<b>14,505</b>	<b>11,150</b>	<b>15,750</b>	<b>27,850</b>	<b>27,850</b>
RCT Fund does not meet the true definition of a fund, so it is included in the General Fund.					
Residential Construction Tax	141,000	49,000	100,000	100,000	100,000
Interest Earnings	619	250	1,200	1,000	1,000
Total RCT	141,619	49,250	101,200	101,000	101,000
<b>Total General Fund Revenues</b>	<b>5,973,106</b>	<b>9,444,354</b>	<b>6,175,794</b>	<b>10,394,964</b>	<b>10,394,964</b>



<b>General Fund Expense Summary</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2018-19</b>
	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2019</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual Estimated</b>	<b>Tentative Budget</b>	<b>Final Budget</b>
Mayor/Council	121,434	144,756	139,104	150,854	150,656
Office of City Manager	436,880	548,760	522,905	552,702	552,142
IT	105,313	149,062	119,166	149,509	149,379
Animal Control	54,737	66,415	66,999	102,503	102,419
Office of City Attorney	438,748	464,481	446,381	503,955	503,319
Finance	188,647	199,148	213,557	224,990	224,818
Contingency	—	324,535	—	373,502	373,502
Debt Service	283,573	285,269	253,377	286,965	286,965
City Clerk	256,348	279,030	275,183	280,557	280,206
Municipal Court	308,266	334,474	335,334	340,933	340,546
Building & Safety	278,587	373,303	371,022	373,172	351,361
Planning	210,989	326,087	326,087	329,522	329,066
City Engineer	126,006	133,653	131,903	160,308	160,081
Facilities	311,924	409,752	378,273	355,784	461,026
Vector Control	127,117	143,914	146,914	143,910	90,000
Cemetery	11,968	21,400	22,900	29,700	29,700
Streets & Storm Drains	1,626,629	5,842,721	2,349,846	7,273,607	7,272,960
Parks	752,565	1,035,635	973,294	1,036,100	957,203
<b>Total Expenditures</b>	<b>5,639,732</b>	<b>11,082,395</b>	<b>7,072,245</b>	<b>12,668,571</b>	<b>12,615,350</b>
Parks Facilities Fund does not meet the true definition of a fund, so it is included in the General Fund.					
<b>Total Parks Facilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
RCT Fund does not meet the true definition of a fund, so it is included in the General Fund.					
<b>Total RCT</b>	<b>—</b>	<b>60,000</b>	<b>90,000</b>	<b>155,000</b>	<b>155,000</b>
<b>Total General Fund</b>	<b>5,639,732</b>	<b>11,142,395</b>	<b>7,162,245</b>	<b>12,823,571</b>	<b>12,770,350</b>



General Fund - Fund Balance	2017 Actual	2018 Estimated	2019 Tentative	2019 Final
Beginning Fund Balance	4,219,246	4,552,622	3,566,171	3,566,171
Excess/(Deficit) - Change in Fund Balance	333,376	(986,451)	(2,428,607)	(2,375,386)
Ending Fund Balance	4,552,622	3,566,171	1,137,564	1,190,785
Nonspendable:				
Prepays	30,284	30,000	30,000	30,000
Restricted For:				
Capital projects/RCT parks	219,695	260,895	246,895	246,895
Future development	327,747	327,747	187,794	187,794
Specified purpose/parks	13,575	13,575	13,575	13,575
Committed:				
Roads	2,677,978	1,732,637	—	—
Depot	90,435	—	—	—
Parks	386,930	386,930	376,930	376,930
Assigned to:				
Next Year's budget appropriation	364,750	358,654	—	—
Unassigned:				
8.33% of expenditures, less capital outlay	441,228	455,733	282,370	335,591
Ending Fund Balance	4,552,622	3,566,171	1,137,564	1,190,785
Ending Fund Balance must remain above 4% of actual prior year expenditures		63%	16%	17%
Budgeted Fund Balance to budgeted expenditures less capital outlay (25% max unreserved)		65%	16%	17%
Capital expenditures		1,691,263	5,637,453	5,637,453

## Section III - Department Budgets

## City Council

The City of Fernley encourages community involvement and is committed to:

- Developing and ensuring the highest possible quality of life for residents, businesses, and visitors.
- Providing a safe and healthy environment.
- Providing an efficient and effective government that is open and responsive to the needs of the community, and works for the benefit of all.

The general powers of the City Council are described in Nevada Revised Statutes (NRS), Chapter 266.260 - 0460. Five (5) members of the City Council are elected from five (5) wards within the City. The mayor is elected at-large. The general powers of the Mayor are described in NRS, Chapter 266.165-200.

A salary increase is included as required by the Fernley Municipal Code based upon a 2.1% Consumer Price Index (CPI). This increase is provided in the Position Control document. For the operation budget, an increase of \$2500 was included for EDAWN, from \$5000 to \$7500, and an increase of \$1000 for NNDA, from \$1000 to \$2000. There is an increase in the travel line item, from \$1000 to \$2500 to account for the Nevada League of Cities conference, which will be held in Winnemucca this year. Employee recognition was reduced by \$500, from \$2500 to \$2000. The total Mayor/Council budget has projected increase of \$2750 or 7%, excluding salaries and benefits.

Mayor Council		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-412-100	Regular Pay	70,086	83,381	83,381	86,059	86,059	Salary increase is based on an estimated 2% CIP increase
100-412-200	FICA	1,727	2,954	2,954	3,049	3,049	
100-412-210	Medicare	1,021	1,209	1,209	1,248	1,248	
100-412-230	Retirement (PERS)	11,908	13,460	13,460	13,892	13,892	
100-412-240	Group Insurance	8	—	—	—	—	
100-412-250	Workers Compensation Insurance	2,687	3,252	3,252	3,356	3,158	
100-412-260	Other Benefits	210	—	—	—	—	
<b>Total Salaries &amp; Benefits</b>		<b>87,647</b>	<b>104,256</b>	<b>104,256</b>	<b>107,604</b>	<b>107,406</b>	
100-412-322	Prof Serv-Other	195	—	—	—	—	
100-412-550	Printing and Postage	528	500	500	500	500	
100-412-580	Training	785	1,000	880	2,000	2,000	League of Cities
100-412-581	Dues and Memberships	15,744	20,000	16,792	20,250	20,750	7500 NLC; 7500 EDWAN; 3750 WNDD; 2000 NNDA
100-412-582	Travel	1,339	1,000	1,268	2,500	2,500	NLC Conference
100-412-586	Employee Recognition	1,713	2,500	2,000	2,500	2,000	Employee recognition
100-412-600	General Supplies	471	500	500	500	500	
100-412-605	Minor Equipment	671	1,000	1,000	1,000	1,000	
100-412-626	Gasoline	185	500	500	500	500	
100-412-650	Community Support	12,156	13,500	11,408	13,500	13,500	1500 9/11 ceremony, 2000 City watch, 5000 water assistance, 1000 community events, 4000 spooktacular
<b>Total Services &amp; Supplies</b>		<b>33,787</b>	<b>40,500</b>	<b>34,848</b>	<b>43,250</b>	<b>43,250</b>	
<b>Total Expenditures</b>		<b>121,434</b>	<b>144,756</b>	<b>139,104</b>	<b>150,854</b>	<b>150,656</b>	

## City Manager

### Mission Statement

The mission of the City Manager's Office is to provide positive administrative leadership to the City government and ensure efficient and effective services to the residents.

### Legal Requirements

Title 2, Chapter 2 of the Fernley Municipal Code outlines the powers and duties of the City Manager.

The City Manager shall be responsible to the City Council for the proper administration of the affairs of the City. The City Manager's chief guide in conducting and structuring City personnel is the personnel policy manual. Insofar as the Mayor is the Chief Executive Officer (CEO) of the City under NRS 266.165 with attendant responsibilities, powers, and duties as described in NRS 266.190, the City Manager shall direct his efforts toward assisting the Mayor in accomplishing these described objectives, powers, and responsibilities.

### Primary Responsibilities

- City Administration
- Human Resources
- Risk Management
- Grants Administration
- Council Support
- Government Relations
- Legislative Relations
- Economic Development
- Information Technology
- Water Policy

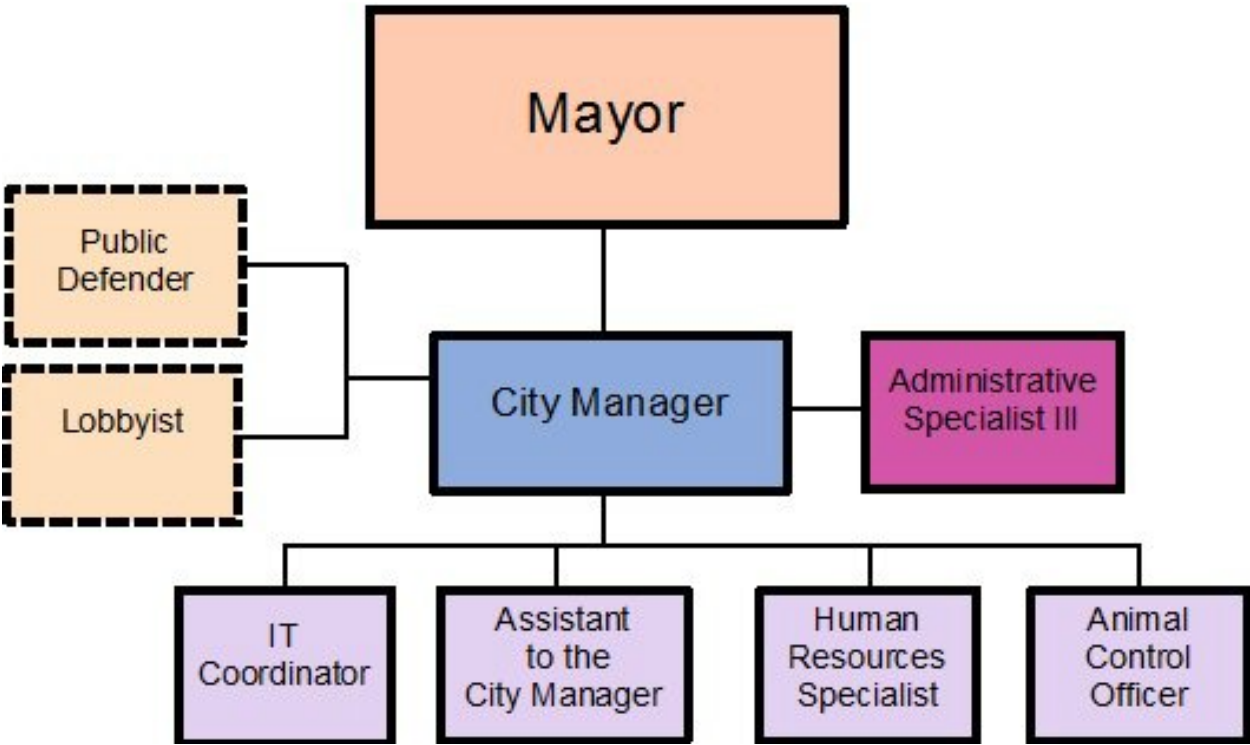
### Overall change in level of service

The City Manager's budget includes an increase of \$26,528 or 17%, excluding salaries and benefits. These changes include an increase in the lobbyist contract of \$500 per month. The current contract provides the lobbyists will be paid \$2000 during non-session months and \$3,000 during the legislative session. The increase would change the rate to \$2500 per month during non-session months and \$3500 during the legislative session. \$30,000 was included for Redevelopment efforts during FY 2018/2019. Funding was included for training for attendance to the ICMA conference as well as funding for city-wide training, and required membership dues for City Manager staff. Professional Services was increased by \$20,000 for projects implemented by the Arts & Culture Task Force. Emergency radios were added to minor equipment for \$3,500.

### Change in number of positions from prior FY to requested FY

No changes are proposed for this fiscal year.

Organizational Chart





## Goals and Objectives

<b>Strategic Goal: To promote citizen engagement and build strong alliances with other government entities, private sector partners, and community members</b>				
<b>Goal 1: Action Plan Implemented for City's Strategic Plan</b>				
Objective 1	Strategic Goals reviewed			
	Task 1	Meet with Department Heads		
	Task 2	Determine how Strategic Goals tie to Department Goals		
Objective 2	Establish performance measures for goals			
	Task 1	Assign individuals responsible		
	Task 2	Establish benchmarks		
	Task 3	Identify needed resources		
Objective 3	Present Action Plan to Council			
	Task 1	Prepare staff report		
	Task 2	Obtain input		
	Task 3	Complete Plan		
<b>Performance Measure: Complete action plan by January 1, 2019</b>				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
% Plan complete				
<b>Strategic Goal: The City of Fernley, as an employer, must strive to create and maintain a successful and efficient work environment</b>				
<b>Goal 2: Instill a culture of excellence and continuous improvement in the City workforce</b>				
Objective 1	Provide leadership training across the City			
	Task 1	Establish training plan for Senior Staff		
	Task 2	Establish training plan for Middle Management		
	Task 3	Establish training plan for line staff		
Objective 2	Develop succession plans			
	Task 1	Identify areas of need		
	Task 2	Identify team for plan development		
	Task 3	Gather information for completion of plan		

## Expenses

City Manager		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Proposed Budget	Final Budget	Comments
100-413-100	Regular Pay	244,580	258,457	258,457	242,786	242,786	
100-413-130	Overtime Pay	653	1,000	1,000	500	500	
100-413-140	Annual Leave Pay	10,193	2,861	2,861	2,549	2,549	
100-413-150	Sick Leave Pay	3,527	—	—	—	—	
100-413-160	Holiday Pay	4,399	—	—	—	—	
100-413-199	Salaries-Misc	(66,026)	—	—	—	—	
100-413-210	Medicare	3,746	3,804	3,804	3,565	3,565	
100-413-220	Unemployment	2,289	2,277	2,277	2,189	2,189	
100-413-230	Retirement (PERS)	63,716	73,014	73,014	68,587	68,587	
100-413-240	Group Insurance	34,204	39,978	39,978	39,259	39,259	
100-413-250	Workers Compensation Insurance	5,382	10,119	10,119	9,488	8,929	
100-413-260	Other Benefits	3,134	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>309,796</b>	<b>391,510</b>	<b>391,510</b>	<b>368,924</b>	<b>368,364</b>	
100-413-312	Prof Serv- Outside Counsel (Frmly CTAX)	1,625	2,000	2,000	2,000	2,000	
100-413-315	Prof Serv- Personnel	14,300	20,000	6,100	15,600	15,600	Personnel investigations 15,000, COBRA 600
100-413-322	Prof Serv-Other	96,170	112,000	112,000	145,000	145,000	PD Contract 60000, Lobbyist 35000, Redevel. 30000, 20000 Arts
100-413-342	Tech Services- Other	—	3,000	—	—	—	
100-413-348	Tech Service- Comm on Ethics	3,313	3,750	2,416	3,750	3,750	Ethics Commission
100-413-540	Advertising	—	2,000	—	1,000	1,000	
100-413-550	Printing and Postage	394	2,000	1,000	1,000	1,000	
100-413-580	Training	4,838	5,000	1,595	5,094	5,094	Training for CM Staff
100-413-581	Dues and Memberships	199	2,000	1,284	1,834	1,834	
100-413-582	Travel	—	—	—	—	—	
100-413-600	General Supplies	1,074	3,000	3,000	3,000	3,000	
100-413-605	Minor Equipment	3,017	1,000	1,000	4,500	4,500	3500 emerg. radios
100-413-626	Gasoline	137	500	500	500	500	
100-413-640	Books and Periodicals	217	1,000	500	500	500	
100-413-699	Svc & Supplies- Misc	1,800	—	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>127,084</b>	<b>157,250</b>	<b>131,395</b>	<b>183,778</b>	<b>183,778</b>	
<b>Total Expenditures</b>		<b>436,880</b>	<b>548,760</b>	<b>522,905</b>	<b>552,702</b>	<b>552,142</b>	

## *Information Technology*

### **Mission:**

Information Technology mission is to serve the information and technology needs of the City of Fernley, including citizens and employees. IT evaluates, integrates and supports innovative technologies to help internal and external customers achieve their goals, while effectively maximizing return on resources and providing cost effective methods for citizens, businesses, vendors and others to easily access information and conduct business within the City.

Information Technology is responsible for enterprise-wide communication and all technical services. Further, IT is responsible for maintaining all computer, network, and application systems, along with communication functions for the City of Fernley.

### **Change in level of service:**

The proposed budget for FY 2018/2019 provides for a decrease of \$1,754 or -3%. The budget includes funding for technological services, subscriptions, and new programs. The reduction in the budget for the current year was primarily a result of funding included in the previous year for the upgraded website, which has been completed and is not needed in the current year.

Technology requirements are expensed to different divisions throughout the city and are identified as shared costs in the Information Technology budget (GL 100-418-700).

## Expenses

IT		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-418-100	Regular Pay	51,246	54,630	54,630	55,711	55,711	
100-418-130	Overtime Pay	58	500	500	500	500	
100-418-140	Annual Leave Pay	4,256	—	—	—	—	
100-418-150	Sick Leave Pay	3,443	—	—	—	—	
100-418-160	Holiday Pay	2,838	—	—	—	—	
100-418-210	Medicare	845	799	799	815	815	
100-418-220	Unemployment	605	584	584	584	584	
100-418-230	Retirement (PERS)	8,914	15,433	15,433	15,738	15,738	
100-418-240	Group Insurance	14,119	15,510	15,510	16,267	16,267	
100-418-250	Workers Compensation Insurance	1,370	2,150	2,150	2,192	2,063	
100-418-260	Other Benefits	155	—	—	—	—	
<b>Total Salaries &amp; Benefits</b>		<b>87,850</b>	<b>89,606</b>	<b>89,606</b>	<b>91,807</b>	<b>91,677</b>	
100-418-342	Tech Services-Other	77,858	104,300	106,145	137,412	137,412	See description below
100-418-530	Communications (Internet, Cell)	640	900	900	900	900	
100-418-580	Training	—	3,000	3,000	3,000	3,000	
100-418-600	General Supplies	1,014	1,500	—	1,500	1,500	
100-418-605	Minor Equipment	3,516	8,000	7,759	3,000	3,000	
100-418-700	Shared Costs	(65,566)	(88,244)	(88,244)	(88,110)	(88,110)	
100-418-730	Improve other than Buildings	—	30,000	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>17,463</b>	<b>59,456</b>	<b>29,560</b>	<b>57,702</b>	<b>57,702</b>	
<b>Total Expenditures</b>		<b>105,313</b>	<b>149,062</b>	<b>119,166</b>	<b>149,509</b>	<b>149,379</b>	

\*See full description of Tech Services – Other below:

Function	Description	Cost
ESRI ARC GIS Licensing		8,400
Caselle Clarity	Caselle Clarity is the current financial accounting and ERP system software. The amount requested covers maintenance, updates and phone support and incident response. Caselle has recently changed billing cycles from quarterly to monthly	30,000
Civic Plus	Current hosting provider for <a href="http://www.cityoffernley.org">www.cityoffernley.org</a> that contains website and CMS (Content Management System). Civicplus fees cover bandwidth from the site, content management (document center, agenda center, audio files, video files) modules relating to different city functions, data management, content retention, DNS and MX records, 24/7 support and almost 99% uptime assurance	15,000
Shoretel	Shoretel Maintenance, provided through Pacific States Communication, covers all hardware/software and phones. 3 hours help desk free of charge and online support. Hardware/software and phone support include no cost replacement in case of equipment failure (T-1 switch, phone switches, desktop phones), no cost to upgrade to future software releases.	9,600
Shoretel	Shoretel end of life upgrade.	17,962
Barracuda Backup Service		2,500
IQ Corporation	In the past, we have retained IQ Corporation for technical services to assist in issues and emergencies that would exceed current staff abilities, staff absence, engineering and consultation. Although IQ Corporation no longer requires retainers in the amount requested, funds have been allocated in case any issues arise	2,500
Symantec End Point Security	Symantec End Point Security provides client and server protection against viruses, malware and other known threats. This protection covers client machines, servers and email.	2,200
Symantec (formerly Veritas) SSL certificate	SSL certificate provides the HTTPS (Secure Socket Layer) protection when accessing the outlook Web Access and Remote Desktop functions of the City's servers. Currently the Outlook Web Access is currently available to users.	500
Microsoft Office 365	Includes email system, Office 2013, One Drive and maintenance of email system	20,000
OpenGov	Budget Platform	25,000
Seamless Docs	Digital form system	3,750
<b>Tech Services Total</b>		<b>137,412</b>

## *Animal Control*

### **Mission Statement**

The mission of Fernley Animal Control is to provide a necessary public service to the residents of our community through a welcoming and humane level of care for animals and those who care for them. This division works to protect the public, and educate the public to provide responsible care for animals.

### **Legal Requirements**

NRS 441A.410 Control of rabies. The Board [State Board of Health] shall adopt regulations governing the control of rabies. The regulations must provide for: 1. The periodic inoculation of animals with approved vaccines. 2. The impoundment of animals suspected of having rabies and the disposition of those animals upon verification of the presence of the disease. 3. Procedures for the treatment of persons who have been, or are suspected of having been, exposed to rabies. (Added to NRS by 1989, 298)

### **Primary Responsibilities**

To protect the public health and welfare from the adverse acts or conditions associated with domestic animals, specifically dogs kept as pets, companions, or for breeding purposes. Further, to provide a service to insure the registration of canines and vaccination for the prevention of rabies as required by NRS 441A.410; and to regulate the care and control of dangerous or vicious animals.

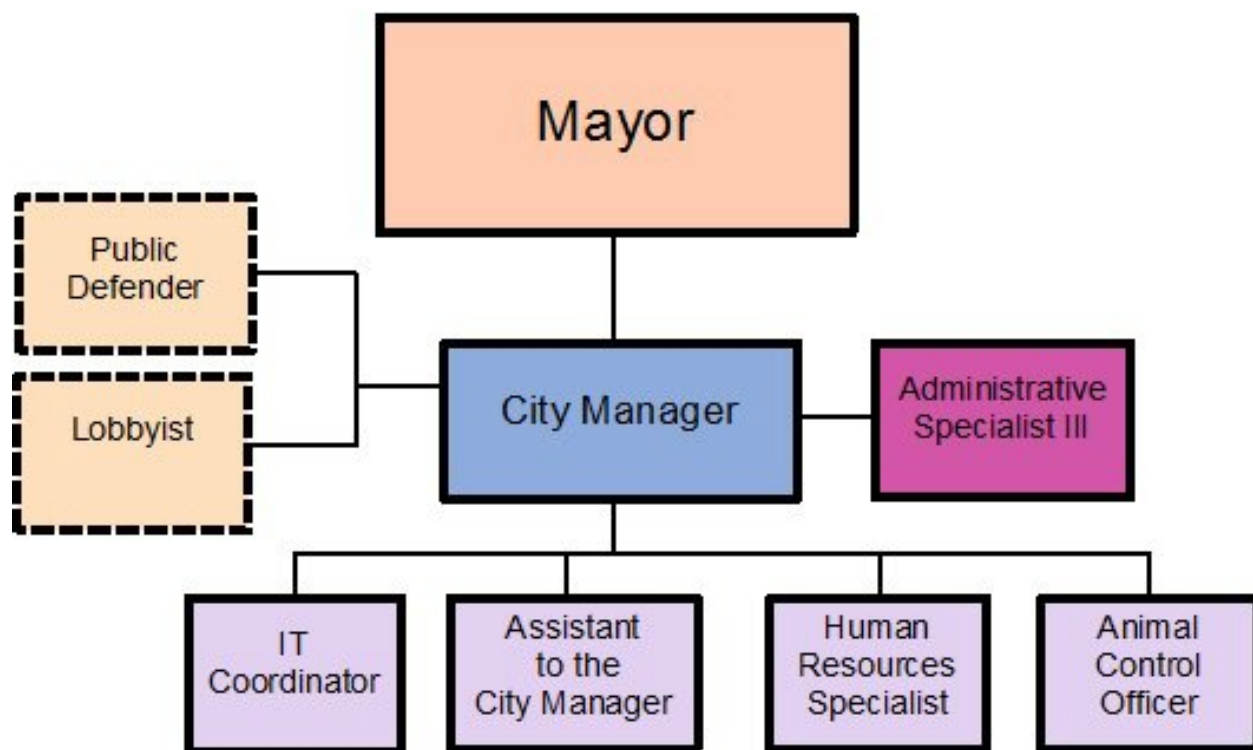
For the purposes of this chapter, the level of animal services to be provided by the City of Fernley shall be defined to be the following activities:

- To enforce local, county and state ordinances for the care and management of animals
- To administer a Dog Licensing Program to assure the rabies vaccination of dogs
- To place a quarantine, hold or impound dogs suspected of biting humans or other animals whenever potential infection with rabies is a concern
- To investigate all citizen complaints regarding the aberrant or nuisance behavior of dogs
- To conduct follow-up investigations of animal complaints
- To record and track all animal reports through written logs and a records management database
- To build case files to support citations and court hearings
- To track all calls for service received through Lyon County Dispatch
- To transport dogs at large and those to be impounded to the Lyon County Animal Shelter in Silver Springs or other approved kennel facility
- To aid other animal service providers (Nevada Department of Agriculture, Nevada Department of Wildlife, Lyon County Sheriff's Office, North Lyon County Fire Protection District, and local animal clinics) for the control and safety of livestock and other large animals.

**Change in level of service:**

The Animal Control Department has been moved into the City Manager's Department for supervision, management, and oversight. The Fleet Division has requested the purchase of a 4-wheel drive, crew cab truck with bed to replace the truck that is currently assigned to the Animal Control Division. The Animal Control Division uses the truck to transport a dog kennel of substantial weight over long distances to the Lyon County Animal Shelter. The Fleet Division recommends the current 1/2 ton truck be set for disposal. Pursuant to the Fleet Policy, the duties of the Fleet Foreman includes recommendations for acquisition, disposition, or reassignment of fleet assets. The Fleet Foreman recommends the current truck is beyond the amount of services miles and age recommended for vehicle replacement pursuant to the City of Fernley Fleet Management Program (FMP) Policy, Table 4.1, Appendix 8, Replacement Standard. The existing truck will be disposed of through the property disposal agent, the City Manager.

The proposed Animal Control budget includes an increase of \$33,534 or 269%. This is due to the request of the replacement Animal Control vehicle as recommended by the Fleet Foreman.

**Organizational Chart**

## Goals and Objectives

Strategic Goal: The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's financial planning				
Goal 1	Increase dog license fees consistent with Lyon County			
Objective 1	Ensure fees are comparable to other jurisdictions in the immediate area			
	Task 1	Research and compare other jurisdictions' dog license fees		
	Task 2	Present a staff report and proposal to City Council to increase dog license fees to be comparable to surrounding Lyon County area		
Objective 2	Implement dog license fee schedule			
	Task 1	Develop license fee schedule		
	Task 2	Inform residents about new fee schedule		
Performance Measure: % of project complete for FY 17/18				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
% Complete				



## Expenses

Animal Control		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-525-100	Regular Pay	26,191	34,251	34,251	35,903	35,903	
100-525-130	Overtime Pay	12	600	600	600	600	
100-525-140	Annual Leave Pay	2,649	—	—	—	—	
100-525-150	Sick Leave Pay	1,097	—	—	—	—	
100-525-160	Holiday Pay	1,300	—	—	—	—	
100-525-200	FICA	326	—	—	—	—	
100-525-210	Medicare	443	505	505	529	529	
100-525-220	Unemployment	595	584	584	584	584	
100-525-230	Retirement (PERS)	6,836	9,676	9,676	10,143	10,143	
100-525-240	Group Insurance	3,751	6,974	6,974	7,320	7,320	
100-525-250	Workers Compensation Insurance	1,188	1,359	1,359	1,424	1,340	
100-525-260	Other Benefits	79	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>44,467</b>	<b>53,949</b>	<b>53,949</b>	<b>56,503</b>	<b>56,419</b>	
100-525-322	Prof Serv-Other	1,003	1,500	1,500	1,500	1,500	
100-525-346	Co Shelter Agreement	—	3,000	3,000	3,000	3,000	
100-525-550	Printing and Postage	120	700	250	700	700	
100-525-580	Training	—	1,500	1,500	1,500	1,500	
100-525-600	General Supplies	525	500	500	500	500	
100-525-601	Office Supplies	6	200	200	200	200	
100-525-605	Minor Equipment	1,460	766	2,000	800	800	
100-525-610	Automotive Supplies	1,420	1,500	1,500	2,000	2,000	
100-525-612	Supplies, Building Maintenance	2,813	—	—	—	—	
100-525-626	Gasoline	2,923	2,500	2,500	3,000	3,000	
100-525-640	Books and Periodicals	—	300	100	300	300	
100-525-730	Improve other than Buildings	—	—	—	—	—	
100-525-742	Vehicles	—	—	—	32,500	32,500	
<b>Total Services &amp; Supplies</b>		<b>10,270</b>	<b>12,466</b>	<b>13,050</b>	<b>46,000</b>	<b>46,000</b>	
<b>Total Expenditures</b>		<b>54,737</b>	<b>66,415</b>	<b>66,999</b>	<b>102,503</b>	<b>102,419</b>	

## City Attorney

### **Mission Statement:**

The mission of the Fernley City Attorney's Office is to deliver outstanding legal services to the City of Fernley by providing sound legal advice to City officials to help them achieve City goals. We will accomplish this by defending Fernley's advanced policies in court, and protecting public health, safety, and welfare through effectively prosecuting violations of the City criminal and civil ordinances, when the community's quality of life or economic interests are jeopardized.

### **Legal Requirements:**

There are no legal requirements the City Attorney must fulfill (instead we strive to ensure legal compliance in other departments). However, the primary duties of the City Attorney are laid out in NRS Chapter 266: NRS 266.470 Duties. The City Attorney shall be the legal advisor of the City Council and all officers of the City in all matters respecting the affairs of the City and shall perform such duties as may be required by the City Council or prescribed by ordinance.

### **Primary responsibilities:**

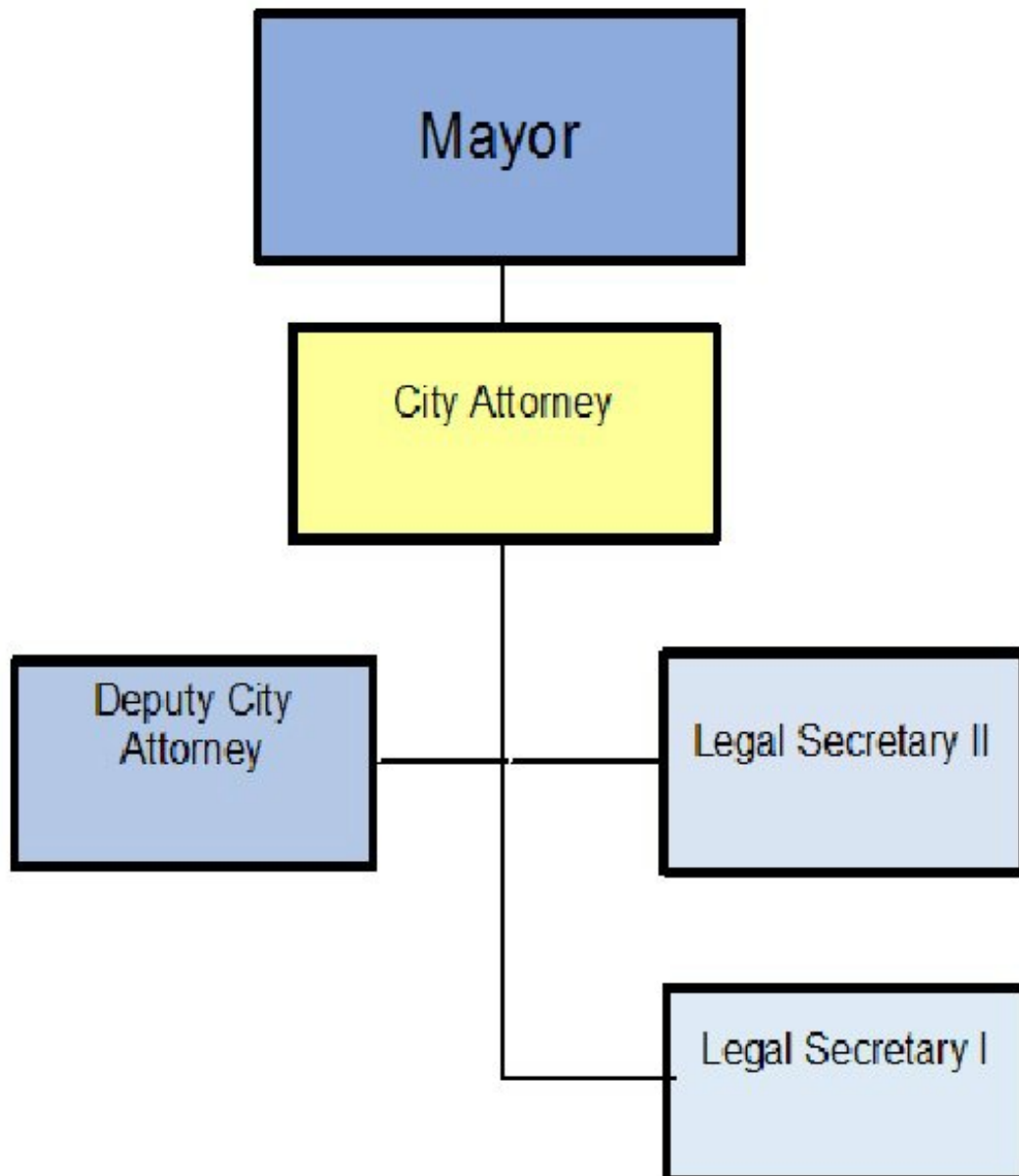
The City Attorney is appointed by the City Council. The City Attorney provides legal guidance and support to elected City Officials, City Departments, and Boards and Commissions in the conduct of City business. The City Attorney represents the City in judicial and administrative proceedings, and prosecutes violations of the Nevada Revised Statutes (NRS) and the Fernley Municipal Code.

### **Change in the number of positions from prior FY to the requested FY:**

City Council approved a Deputy City Attorney position for the City Attorney's Office two years ago. As caseloads increase in civil, criminal, and administrative areas, assistance is needed to support the attorneys within the department. Adding a part-time legal secretary will provide additional assistance to the attorneys and provide much needed support to the current legal assistant. This addition will promote retention as well as establish a career ladder for the Legal Secretary classification.

The proposed operation budget for the City Attorney's Office includes a 7% increase from FY 2018/2019, which does not include salaries and benefits. The position control document provides the new part-time position. An additional \$4,000 was included in minor equipment to purchase technology needed for case preparation.

## Organizational Chart



## Goals, Objectives, and Work Plan

<b>Strategic Goal: The City of Fernley, as an employer, must strive to create and maintain a successful and efficient work environment</b>				
Goal 1	Professional and Legal Municipality			
Objective 1	Review municipal action for legal compliance			
	Task 1	Provide legal review on all staff reports (roughly 10 per month is 120 per year)		
	Task 2	Provide legal opinions on submitted requests (as well as impromptu requests)		
	Task 3	Meet weekly with department heads to brainstorm legal issues in their department		
Objective 2	Provide training to raise legal awareness			
	Task 1	CAO staff to attend training to attempt to ensure they are up to date on changes in the law in both criminal and municipal civil law		
	Task 2	Training with the executive and legislative branches of the City to include basic as well as complex municipal government law		
	Task 3	Encouraging staff and assisting staff on becoming experts in the laws, policies, and contracts that affect their department		
Performance Measure: Return legal review on 85% of agenda reports within the agenda process deadline				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
% completed				
<b>Strategic Goal: Interact and engage with the community's citizens, business community, and visitors in ways that are Polite, Professional, and Performed consistent with the Strategic Plan</b>				
Goal 2: Public Safety				
Objective 1	Diligently prosecute criminal cases			
	Task 1	Open/manage 700+ criminal files submitted to City Attorney's Office and Municipal Court		
	Task 2	Assist witnesses and especially victims in court preparation and obtaining resources		
	Task 3	Prepare for trials and negotiations at pretrial		
<b>Strategic Goal: To promote citizen engagement and build strong alliances with other government agencies, private sector partners, and community members.</b>				
Goal 3: Excellent communication, teamwork, and skill base				
Objective 1	Teamwork			
	Task 1	Meet regularly with staff to communicate/brainstorm cases, civil projects, etc.		
	Task 2	Continue to develop policies and procedures for the organization of the criminal cases		
	Task 3	Create an excel spreadsheet of the existing civil files (and other potential names they could be called) to ensure a more organized civil component and avoid duplicate research and provide institutional knowledge of past events on the same issues.		
	Task 4	Meet regularly with and work cooperatively with other governmental agencies and City of Fernley departments. <ul style="list-style-type: none"><li>• Meet with the District Attorney regarding joint criminal case issues</li><li>• Meet weekly with the Public Defender to communicate offers to achieve judicial efficiency</li><li>• Develop policies with Municipal Court to ensure Judicial Efficiency and manageable weekly criminal caseloads.</li></ul>		
	Task 5	Send bi-weekly emails to the council on the priorities of the City Attorney's Office		
Objective 2	Supervising: Strive to constantly improve staff knowledge/competency through training and experience			

	Task 1	Meet with staff and survey their opinions on what tools and training they need to do their jobs
	Task 2	Provide training and mentoring
	Task 3	Review, test, and train to improve internal staff's knowledge on the various aspects, tasks, and duties of each position: The Attorney's office in general; and the City in general

## Expenses

City Attorney		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-414-100	Regular Pay	243,269	248,603	248,603	275,188	275,188	
100-414-130	Overtime Pay	1,110	500	500	1,000	1,000	
100-414-140	Annual Leave Pay	4,399	2,401	2,401	2,497	2,497	
100-414-150	Sick Leave Pay	641	—	—	—	—	
100-414-160	Holiday Pay	2,698	—	—	—	—	
100-414-200	FICA	198	—	—	—	—	
100-414-210	Medicare	3,497	3,647	3,647	4,041	4,041	
100-414-220	Unemployment	14,680	1,751	1,751	2,032	2,032	
100-414-230	Retirement (PERS)	69,337	70,230	70,230	72,706	72,706	
100-414-240	Group Insurance	36,755	42,884	42,884	44,970	44,970	
100-414-250	Workers Compensation Insurance	4,630	9,715	9,715	10,771	10,136	
100-414-260	Other Benefits	730	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>381,943</b>	<b>379,731</b>	<b>379,731</b>	<b>413,205</b>	<b>412,569</b>	
100-414-300	Prof Serv-City Attorney	—	—	—	—	—	
100-414-310	Prof Serv-Legal	27,177	40,000	40,000	40,000	40,000	Outside counsel
100-414-322	Prof Serv-Other	11,827	25,500	10,000	25,500	25,500	Pool Pact deductibles
100-414-550	Printing and Postage	802	650	650	650	650	
100-414-580	Training	4,514	6,000	3,000	6,000	6,000	Training for CA Staff
100-414-581	Dues and Memberships	1,115	—	2,000	2,000	2,000	Bar and association dues
100-414-600	General Supplies	5,048	4,000	7,000	4,000	4,000	
100-414-605	Minor Equipment	2,415	3,600	—	7,600	7,600	
100-414-612	Building Maintenance Supplies	184	1,000	—	1,000	1,000	
100-414-640	Books and Periodicals	3,724	4,000	4,000	4,000	4,000	Legal research material
100-414-699	Svc & Supplies-Misc	—	—	—	—	—	
100-414-730	Improve other than Buildings	—	—	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>56,805</b>	<b>84,750</b>	<b>66,650</b>	<b>90,750</b>	<b>90,750</b>	
<b>Total Expenditures</b>		<b>438,748</b>	<b>464,481</b>	<b>446,381</b>	<b>503,955</b>	<b>503,319</b>	

## Finance

### **Mission Statement:**

In a manner of excellence, integrity, and dedication, the City's Finance Department is committed to providing fiscally responsible management, appropriate internal control and cooperative guidance to City Staff, the Mayor, the City Council, and the Citizens of Fernley.

### **Legal Requirements:**

It is the responsibility of City staff to comply with provisions included in NRS and NAC 364 – Local and Financial Administration.

### **Primary Responsibilities:**

The City's Finance Department consists of three employees who oversee the following:

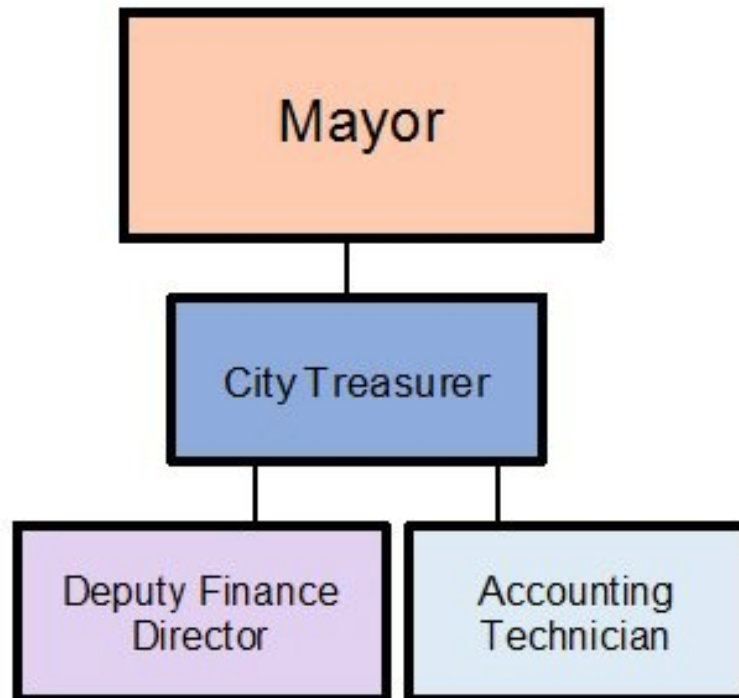
- Financial Reporting
- General Accounting
- Accounts Payable
- Payroll
- Accounts Receivable
- Budget
- Audit
- Cash Management
- Debt Management
- Investment Management
- Internal Controls

### **Overall Change in Service Levels:**

The operation budget for the Finance Department includes a proposed increase of \$69,772 or 17%. It should be noted that \$373,502 of the Finance Department's operation budget is contingency for the general fund. Pursuant to the City of Fernley's Financial Policies, this amount is 3% of the operating expenses established for year.

Other increases in the fund include the fraud hotline and training funds as needed for professional development of Finance Department staff.

## Organizational Chart





## Goals and Objectives

Strategic Goal: The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's financial planning.		
Goal 1	Implementation of Enterprise capital replacement and improvement plan	
Objective 1	Fraud Risk Management Program	
	Task 1	Discuss goals with senior staff
	Task 2	Write a plan
	Task 3	Update asset reserve schedules
	Task 4	Take plan to Council
	Task 5	Create accounts to reserve enterprise monies for capital purposes
Strategic Goal: The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's financial planning.		
Goal 2:	Implementation of Technology updates such as project management	
Objective 1	Accurately report salary and benefit costs in the appropriate funds	
	Task 1	Coordinate with Caselle for set up
	Task 2	Coordinate with department heads regarding tasks and activities
	Task 3	Train City staff
Objective 2	To have access to real time capital project data and reports	
	Task 1	Consider and decide upon project sequences
	Task 2	Coordinate with staff regarding project numbers
	Task 3	Coordinate with staff regarding projects to be tracked
	Task 4	Set up codes and projects within the system
	Task 5	Enter beginning balances
	Task 6	Test reports for accuracy
Objective 3	To increase efficiency in asset reporting and transferring of assets	
	Task 1	Ensure all projects entered in to project management and assigned project codes
	Task 2	Enter beginning balances
	Task 3	Reconciling GL with project management monthly
Performance Measure: Use of project management vs. manually entering fixed asset information in to the financials; also for use in preparing the budget; To gain an understanding of the efficiency and effectiveness of using this system, and the cost-savings		
	Monthly Basis	Annual Basis
Manual - Time Cost		3 weeks \$6,600
Electronic - Time cost	2-3 hours (30 hours per year) \$1,650	

## Expenses

Finance		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-415-100	Regular Pay	72,497	71,191	71,191	73,895	73,895	
100-415-130	Overtime Pay	—	1,000	1,000	1,000	1,000	
100-415-140	Annual Leave Pay	900	—	—	—	—	
100-415-150	Sick Leave Pay	199	—	—	—	—	
100-415-160	Holiday Pay	742	—	—	—	—	
100-415-210	Medicare	1,080	1,047	1,047	1,086	1,086	
100-415-220	Unemployment	546	543	543	595	595	
100-415-230	Retirement (PERS)	13,310	20,111	20,111	20,875	20,875	
100-415-240	Group Insurance	4,751	7,396	7,396	8,767	8,767	
100-415-250	Workers Compensation Insurance	1,268	2,815	2,815	2,921	2,749	
100-415-260	Other Benefits	937	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>96,231</b>	<b>104,103</b>	<b>104,103</b>	<b>109,140</b>	<b>108,968</b>	
100-415-322	Prof Serv-Other	1,800	8,300	9,700	10,000	10,000	Redflagg, bond, lock box, armored svcs, actuary, position adv., bank fees
100-415-328	Prof Serv-Auditing	11,975	17,245	16,004	16,100	16,100	Annual audit
100-415-550	Printing and Postage	2,494	1,750	1,750	2,000	2,000	AP mailing, checks
100-415-580	Training	1,937	2,500	1,500	3,000	3,000	Conferences
100-415-581	Dues and Memberships	967	500	500	500	500	Professional memberships
100-415-582	Travel	1,221	1,500	1,500	2,500	2,500	CFOA and Caselle conferences
100-415-600	General Supplies	1,438	1,500	1,200	1,200	1,200	
100-415-605	Minor Equipment	—	—	—	—	—	
100-415-610	Credit Card Fees	70,067	61,000	77,000	80,000	80,000	
100-415-611	Late Fees	364	250	200	200	200	
100-415-615	Cash Over/Short	(58)	—	100	100	100	
100-415-640	Books and Periodicals	—	500	—	250	250	
100-415-699	Svc & Supplies-Misc	211	—	—	—	—	
100-415-900	Contingency	—	324,535	—	373,502	373,502	
<b>Total Services &amp; Supplies</b>		<b>92,416</b>	<b>419,580</b>	<b>109,454</b>	<b>489,352</b>	<b>489,352</b>	
<b>Total Expenditures</b>		<b>188,647</b>	<b>523,683</b>	<b>213,557</b>	<b>598,492</b>	<b>598,320</b>	

*Debt Service*

Debt service is a function in the General Fund used to account for the debt on the City Hall facilities building.

The cost associated with debt service is made up of principal and interest payments for the Governmental Refunding Purchase Agreement used to refinance the original debt. For fiscal year 2019, principal payments will be \$308,000 and interest will be \$60,119. Since the City Hall building is shared with the Water and Sewer utilities, a portion of these costs are allocated to the Water and Sewer Enterprise funds through the shared cost line item.

The remaining balance on the refunding is \$2,680,000 with a maturity date of December 2025.

Debt Service		2016-17	2017-18	2017-18	2018-19	2018-19
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget
100-625-700	Shared Costs	(83,862)	(83,097)	(83,097)	(81,154)	(81,154)
100-625-860	Interest Expenditure	74,435	67,366	35,474	60,119	60,119
100-625-861	Principal Payment	293,000	301,000	301,000	308,000	308,000
<b>Total Expenditures</b>		<b>283,573</b>	<b>285,269</b>	<b>253,377</b>	<b>286,965</b>	<b>286,965</b>

## City Clerk

### **Mission Statement:**

The mission of the City Clerk's Office is to provide quality services to all customers both internal and external, in an ethical, impartial, and professional manner. We will conduct municipal elections with the highest integrity, effectively manage all official records of the City, and issue and enforce all required licenses, which protect the health, safety, and welfare of the community.

### **Legal Requirements:**

The general duties of the Office of the City Clerk are described in NRS 266.480. The requirements related to election are described in NRS 293C through 306.

### **Primary Responsibilities:**

Agendas/Minutes, countersign all Contracts and Agreements, Keeping of the Corporate Seal and all records and papers of the City, Elections, Ordinances, and Resolutions.

### **Overall Change in Level of Service:**

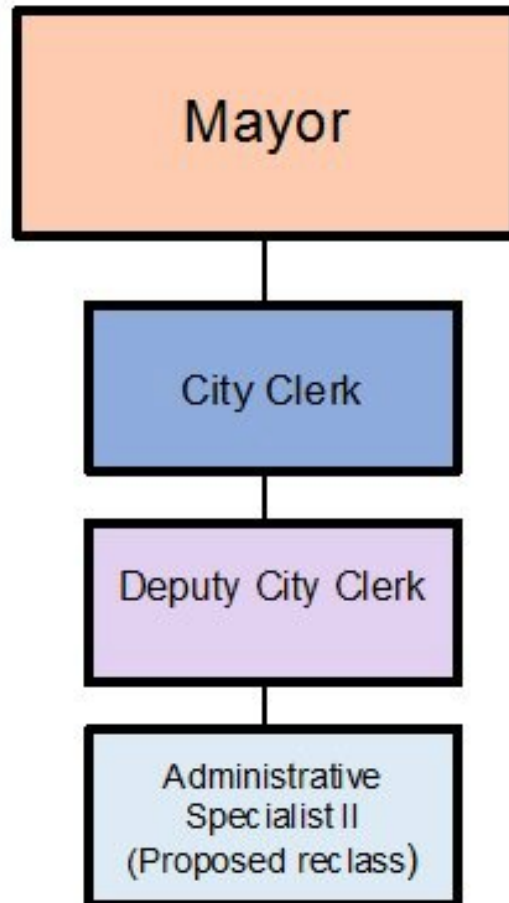
The City Clerks Office is requesting an increase of \$1,253 or 5% over last years budget. This includes an a small increase for records destruction and an increase for Municipal Code update. Travel and training was increased to include funding for certified records management training. The dues and membership line item needed to be increased to ensure enough funding is included for IIMC, Nevada Municipal Clerk's Association, and Notary renewal.

### **Change in number of positions from prior FY to requested FY:**

The City Clerk's Office is not requesting new positions, however, a request is included for the reclassification of the Administrative Specialist I to an Administrative Specialist II. Duties for this position have expanded to additional responsibilities.

Staff within the City Clerk's Office are required to perform many functions, including passport process, business licensing, minutes, public records request, and others. These functions require skills outlined in the Administrative Specialist II job description and exceed the requirements for the Administrative Specialist I which has required the current position to work outside the scope of duties, and requires a reclassification. The impact to the budget is approximately \$2,184 in salary and benefits, which has been included in the position control document.

## Organizational Chart



## Goals and Objectives:

Strategic Goal: To promote citizen engagement and build strong alliances with other government entities, private sector partners, and community members		
Goal 1	City business conducted in compliance with NRS and Open Meeting Law	
Objective 1	Countersign contracts, keep the corporate seal and records of the City	
	Task 1	Pursuant to NRS 266.480(4), countersign all contracts made in behalf of the City
	Task 2	Establish and maintain a comprehensive electronic imaging, records and information management program based on department policies and schedules.
	Task 3	Pursuant to NRS 239.051 establish records destruction procedure, work with each department to ensure program compliance
Objective 2	City business conducted in compliance with NRS and open meeting law	
	Task 1	Add items to agenda in compliance with the agenda process
	Task 2	Post agendas no later than 9 am, 3 days prior to the day of the meeting, excluding
	Task 3	Post agenda on the City and State websites, mail, fax, or email a copy of agenda to anyone who has submitted a request; enter agenda items into an API database for record retention

Objective 3	Process City Council agenda supporting documents in accordance with the Open Meeting Law and agenda process	
	Task 1	Print staff reports from posted agenda, assemble binders of agenda and supporting documents as requested by Mayor and City Council
	Task 2	Post on City website and ensure adequate numbers of copies are available to the public prior to the meeting
	Task 3	Continue to work with staff to improve productivity through technology and training
Objective 4	Promote citizen trust in local government through transparency and communications	
	Task 1	Use social media to promote upcoming meetings, events and services offered by the City
	Task 2	Pursuant to NRS 239 fulfill public records requests within 5 days of receipt
	Task 3	Implement Seamlessgov to use paperless forms and deliver better online services to our citizens
Strategic Goal: The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's Financial Planning		
Goal 1	Provide a basis to regulate entities which do business in Fernley, collect fees sufficient to cover the costs of any impact of such business upon Fernley.	
Objective 1	Assist applicants in obtaining the proper licensing for conducting business in the City within the ordinance and State and Federal regulations.	
	Task 1	Review applications for completion of all forms, applicable inspector's signatures, and payment of fees
	Task 2	Mail the approved license to the applicant after City Council approval
	Task 3	Notify all businesses of annual renewal requirements and/or payment delinquency
Objective 2	Assist applicants with the proper procedure to obtain a license for an establishment serving alcohol	
	Task 1	Review application for completion of ensuring all required information is included
	Task 2	Work with Lyon County to ensure federal, state, and local background investigation is complete
	Task 3	Notify establishment of annual renewal requirements
Objective 3	Assist applicants with the proper procedure to obtain a door to door solicitors license	
	Task 1	Inform applicant that he/she is required to submit to a national criminal history record check prior to issuance of license
	Task 2	Ensure all completed forms are kept in a secure location and CHRI is shredded immediately after review.
	Task 3	Create license for applicant to carry while doing business in Fernley
	Task 4	Notify Lyon County Sheriff's Office of licensed solicitors.

## Expenses

Clerk		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-416-100	Regular Pay	128,551	153,385	153,385	151,520	151,520	
100-416-130	Overtime Pay	2,032	1,000	1,000	1,000	1,000	
100-416-140	Annual Leave Pay	7,907	1,389	1,389	1,417	1,417	
100-416-150	Sick Leave Pay	4,427	—	—	—	—	
100-416-160	Holiday Pay	3,517	—	—	—	—	
100-416-200	FICA	—	—	—	—	—	
100-416-210	Medicare	2,006	2,259	2,259	2,232	2,232	
100-416-220	Unemployment	1,576	1,751	1,751	1,751	1,751	
100-416-230	Retirement (PERS)	39,374	43,331	43,331	42,805	42,805	
100-416-240	Group Insurance	36,560	44,142	44,142	46,878	46,878	
100-416-250	Workers Compensation Insurance	3,827	6,021	6,021	5,948	5,597	
100-416-260	Other Benefits	386	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>230,163</b>	<b>253,278</b>	<b>253,278</b>	<b>253,552</b>	<b>253,201</b>	
100-416-322	Prof Serv-Other	4,124	1,000	—	1,000	1,000	Election
100-416-420	Contract Services	10,189	10,000	9,930	11,430	11,430	5180 API, 100 records destruction, 650 recording system, 5000 Municode
100-416-540	Advertising	2,202	3,000	3,000	3,000	3,000	
100-416-550	Printing and Postage	5,098	4,000	4,000	4,400	4,400	
100-416-580	Training	864	2,000	600	2,500	2,500	Clerks Academy and Certified Records Manager Training
100-416-581	Dues and Memberships	505	600	725	725	725	
100-416-585	Educational Assistance Program	—	1,200	—	—	—	
100-416-600	General Supplies	1,274	1,500	1,500	1,500	1,500	
100-416-605	Minor Equipment	1,930	2,202	2,000	2,200	2,200	Computer replacement
100-416-626	Gasoline	—	100	—	100	100	
100-416-640	Books and Periodicals	—	150	150	150	150	
<b>Total Services &amp; Supplies</b>		<b>26,185</b>	<b>25,752</b>	<b>21,905</b>	<b>27,005</b>	<b>27,005</b>	
<b>Total Expenditures</b>		<b>256,348</b>	<b>279,030</b>	<b>275,183</b>	<b>280,557</b>	<b>280,206</b>	

## Municipal Court

This year, the Court has experienced a 11% decrease in case load and a 3% increase in revenue. It is difficult to predict if the current trends will continue or have reached a plateau. It all remains dependent on factors such as law enforcement citing practices as well as the unpredictable future growth of the incorporated area of Fernley.

The Court is requesting an operating budget of \$47,500, which is an increase of \$6,360 or 15% over FY 17/18. The request includes a 1% increase in professional services, which is used to for court security and a warrant entry specialist. Professional services for interpreters is increased 100%, from \$3,000 to \$6,000. It is difficult to anticipate interpreter needs, but the actual estimated amount for the current year was \$6,000, which is budgeted for FY 18/19. Witness fees have increased 100% from \$1000 to \$2000. An increased number of trials have caused the witness fees to increase as well. Printing and postage have increased; therefore, the line item has been increased from \$1500 to \$3000, a 100% increase. General supplies have increased 20% in the proposed budget. Overtime was increased to \$1,500 to ensure adequate funds are available during the fiscal year. All other line items have a zero percent increase, with a total services and supplies budget increase of 15% for FY 18/19.

Pursuant to NRS 176.059, the Court is committing the balance of the Court's Administrative Assessment fees to cover any additional costs needed to support and improve the operations of the court.

The Court's Administrative Assessment and Court Facility Fee budgets are provided in Section V - Special Revenue Funds.

### **Mission Statement:**

The City of Fernley Municipal Court's mission is to provide fair and impartial adjudication of alleged violations of Fernley Municipal Codes such that the legal rights of individuals are safeguarded and public interest is protected. The Court will provide due process to defendants in an efficient, professional, and courteous manner that promotes and upholds the integrity and independence of the judiciary, thereby maximizing the community's confidence in the Court.

### **Legal Requirements:**

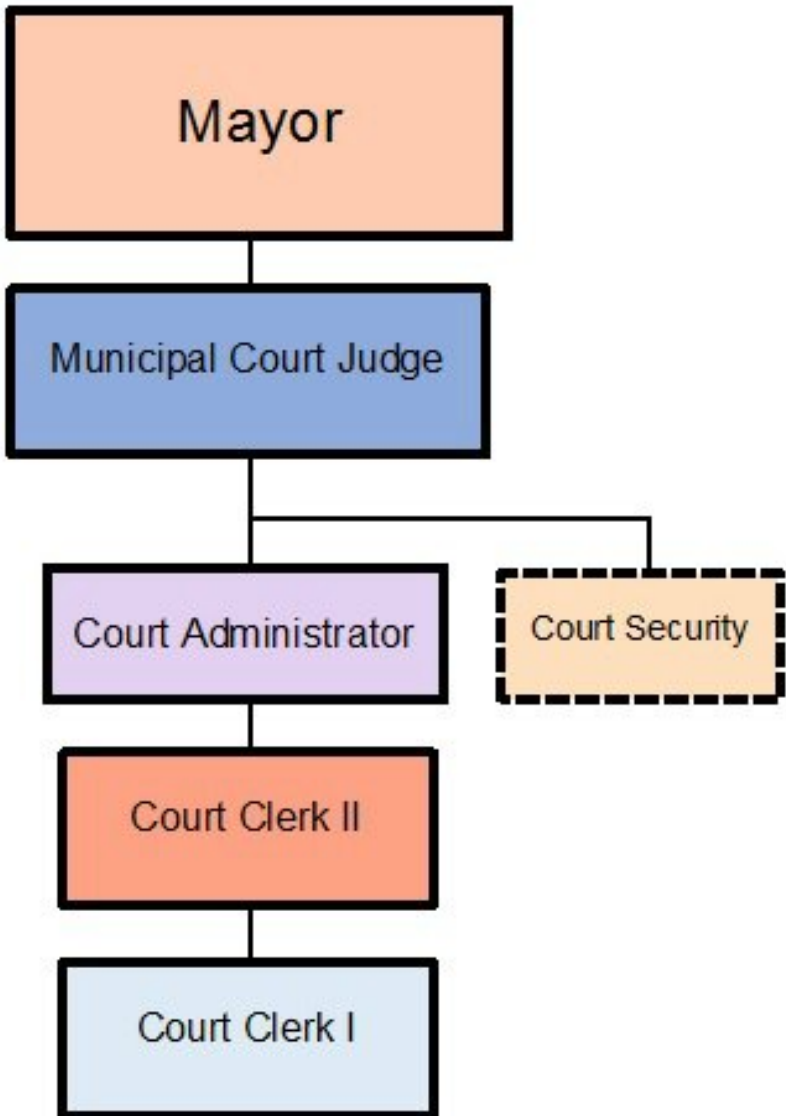
NRS 266.550 through 266.595 describes the jurisdiction and operation of the municipal courts. The Municipal Court has similar powers that are provided by law for justice courts, subject to the overall limited jurisdiction of misdemeanor offenses. The powers of the Municipal Court include the power to charge and collect those fees pursuant to NRS 5.073.

### **Primary Responsibilities:**

The main responsibility of the Fernley Municipal Court is to provide a process and forum for ensuring due process of law and provide for the expeditious resolution of cases brought before the court involving alleged misdemeanor violations of Nevada Revised Statutes and Fernley Municipal Codes.



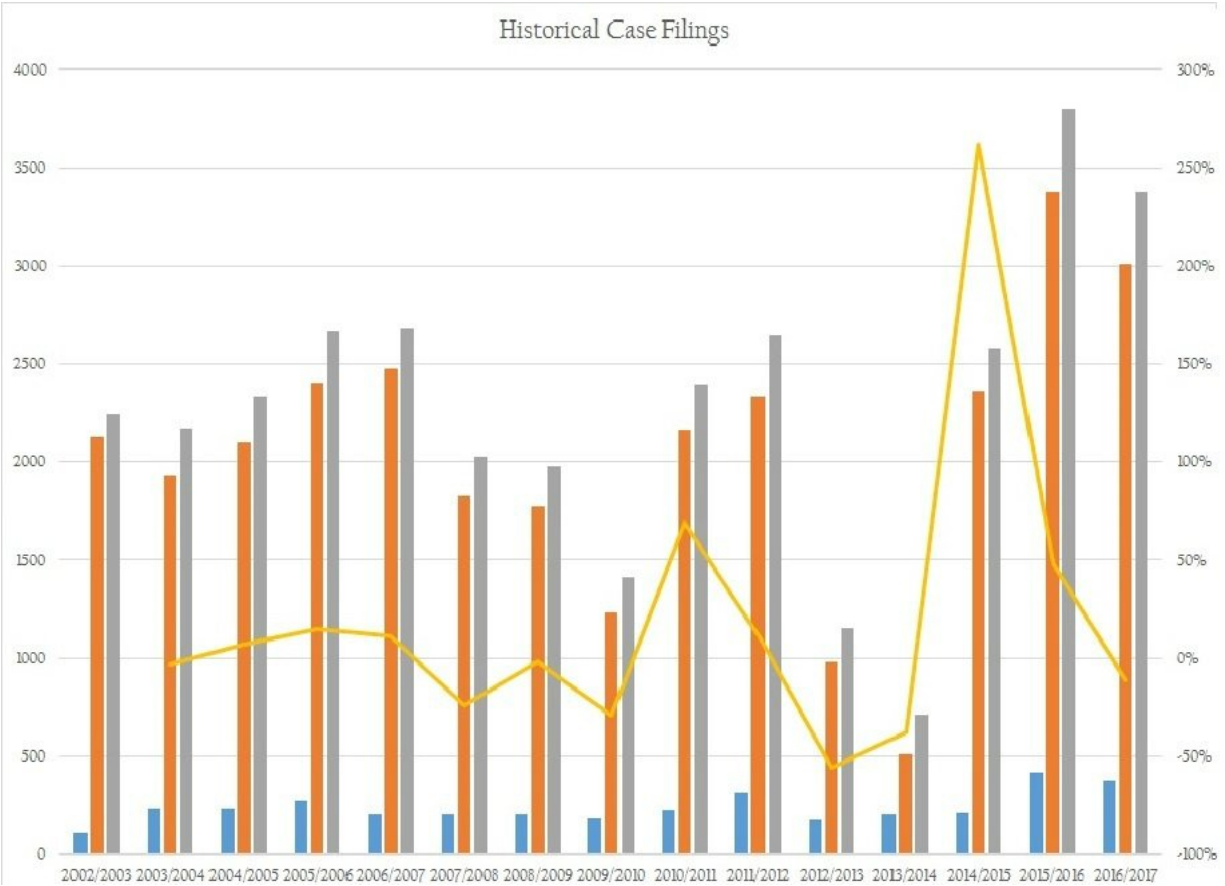
Organizational Chart



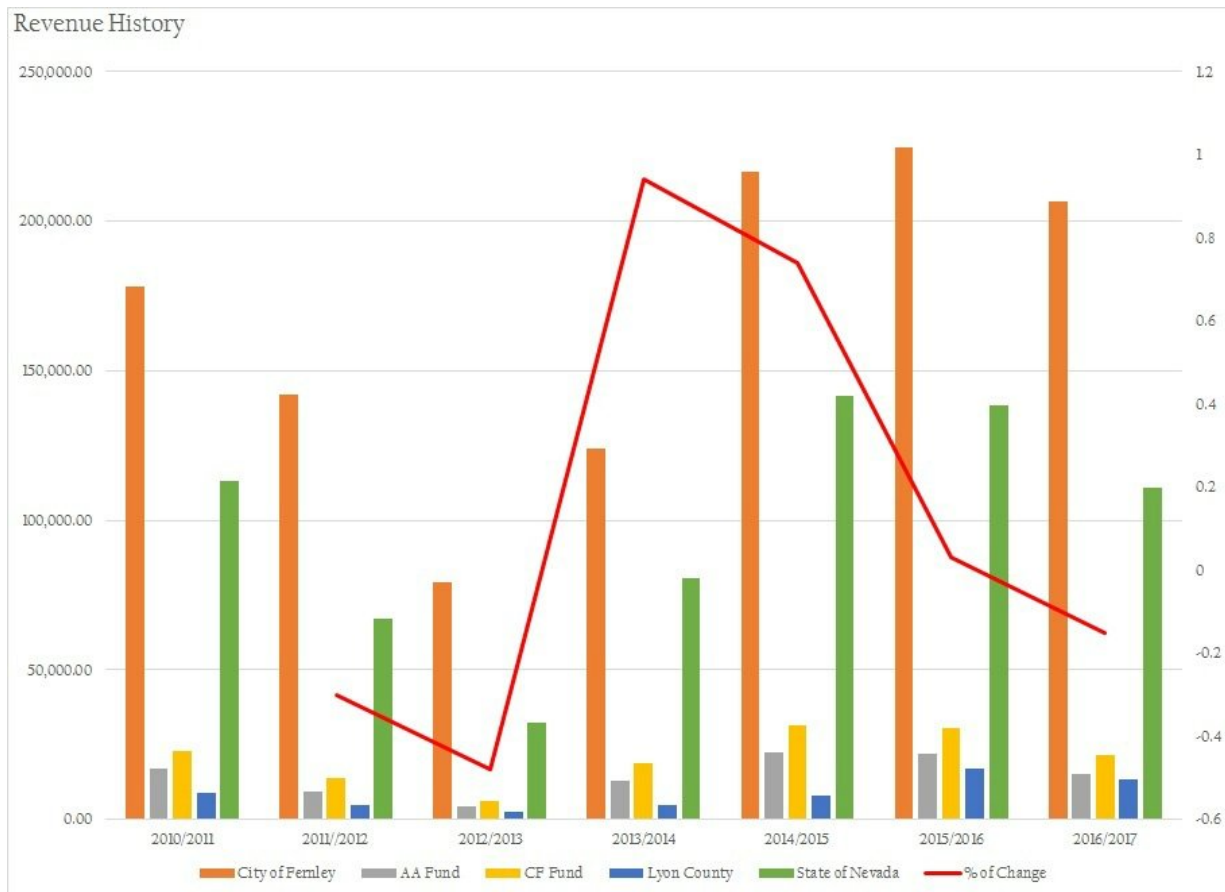
**Overall Change in Service Levels:**

The Fernley Municipal Court was established in 2002. The Court filed 2514 cases for the fiscal year ending 2017. The following is a chart of the Court's historical case filings.

FY Filed:	Criminal Cases:	Traffic Cases:	Total Filed:	% of Change:
2001/2002	111	2,130	2,241	
2002/2003	237	1,934	2,171	(3)%
2003/2004	235	2,095	2,330	7 %
2004/2005	268	2,405	2,673	15 %
2005/2006	205	2,471	2,676	11 %
2006/2007	203	1,823	2,026	(24)%
2007/2008	205	1,773	1,978	(2)%
2008/2009	181	1,233	1,414	(29)%
2009/2010	229	2,166	2,395	69 %
2010/2011	314	2,333	2,647	11 %
2011/2012	175	978	1,153	(56)%
2012/2013	204	507	711	(38)%
2013/2014	213	2,360	2,573	262 %
2014/2015	417	3,381	3,798	48 %
2015/2016	372	3,008	3,380	(11)%
2016/2017	377	2,137	2,514	(25)%
<b>Total</b>	<b>3,946</b>	<b>32,734</b>	<b>36,680</b>	



The Municipal Court collected \$366,566.22 in fines and fees for the fiscal year ending 2017, which is down from \$432,066.62 for fiscal year 2016. The following is a chart of the Court's historical revenue collections:



## Goals, Objectives and Workplan for FY17/18

### Fiscal Management:

Revised MAS to incorporate all procedural and operational changes that have occurred in the Court including the operation of the Court's checking account. The revision was completed and submitted to the Administrative Office of the Courts Audit Division on January 5, 2017.

### Records Retention/Destruction:

Identified all documents that could be destroyed in accordance with the Nevada Supreme Court's Record Retention Schedule. These records were destroyed during the City's annual shred event held in 2016.

### Customer Service:

Developed and implemented a payment plan application form.

Developed and implemented case management updates to allow for auto-dial payment and court appearance reminders.

Strategic Goal: The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's financial planning				
Goal 1	Fiscal Management			
Objective 1	Compliance with Nevada Supreme Court's Minimum Accounting Standards (MAS)			
	Task 1	Develop and implement MAS compliant policies and procedures		
	Task 2	Update Court Clerk desk manuals to contain newly developed and implement MAS policies and procedures		
	Task 3	Train staff on updated MAS policies and procedures		
Performance Measure: % completed for FY 2017/2018				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Task 1				
Task 2				
Task 3				
Strategic Goal: The City of Fernley, as an employer, must strive to create and maintain a successful and efficient work environment				
Goal 2: Records/Retention/Destruction				
Objective 1	Compliance with Supreme Court's Record Retention Schedule			
	Task 1	Create Fernley Municipal Court's record retention and destruction schedule based on the Supreme Court's guidelines		
	Task 2	Develop and implement policies and procedures for records retention and destructions		
	Task 3	Develop policies and procedures for electronic storage of court financials, traffic tickets and files		
	Task 4	Train staff on updated records retention and destruction policies and procedures		

## Expenses

Court		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-425-100	Regular Pay	177,151	186,734	186,734	189,549	189,549	
100-425-130	Overtime Pay	1,257	500	500	1,500	1,500	
100-425-140	Annual Leave Pay	5,612	2,317	2,317	2,364	2,364	
100-425-150	Sick Leave Pay	1,894	—	—	—	—	
100-425-160	Holiday Pay	3,155	—	—	—	—	
100-425-200	FICA	95	—	—	—	—	
100-425-210	Medicare	2,645	2,748	2,748	2,790	2,804	
100-425-220	Unemployment	1,731	2,335	2,335	2,335	2,335	
100-425-230	Retirement (PERS)	47,246	52,752	52,752	53,548	53,548	
100-425-240	Group Insurance	32,885	38,646	38,646	33,936	33,936	
100-425-250	Workers Compensation Insurance	5,341	7,302	7,302	7,412	7,011	
100-425-260	Other Benefits	2,331	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>281,343</b>	<b>293,334</b>	<b>293,334</b>	<b>293,433</b>	<b>293,046</b>	
100-425-317	Prof Serv-Senior Judge	—	—	—	—	—	
100-425-322	Prof Serv-Other	13,842	24,140	20,000	24,500	24,500	Court Security, Warrant Entry Specialist
100-425-325	PROF SERV-CONFLICT COUNSEL	1,700	4,000	3,000	4,000	4,000	Conflict public defender
100-425-330	PROF SERV-INTERPRETER	3,782	3,000	6,000	6,000	6,000	Interpreter needs increased
100-425-335	PROF SERV-SENIOR JUDGE	1,561	5,000	5,000	5,000	5,000	Senior Judge
100-425-340	PROF SERV - WITNESS FEES	631	1,000	1,500	2,000	2,000	Increased trials = increased witness fees
100-425-550	Printing and Postage	1,594	1,500	2,500	3,000	3,000	Increased mailings
100-425-580	Training	—	—	—	—	—	
100-425-600	General Supplies	3,759	2,500	4,000	3,000	3,000	
100-425-626	Gasoline	55	—	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>26,924</b>	<b>41,140</b>	<b>42,000</b>	<b>47,500</b>	<b>47,500</b>	
<b>Expenditures</b>		<b>308,211</b>	<b>334,474</b>	<b>335,334</b>	<b>340,933</b>	<b>340,546</b>	

## Department of Building and Safety

### **Mission Statement**

The Department of Building and Safety is established to protect the public by assuring a safe-built environment with the community of Fernley. We are committed to providing residents, builders, and consulting professionals with timely and courteous customer services.

### **Legal Requirements**

The Department of Building and Safety is established under the provisions of the Nevada Revised Statutes, Chapter 278, Section 580.

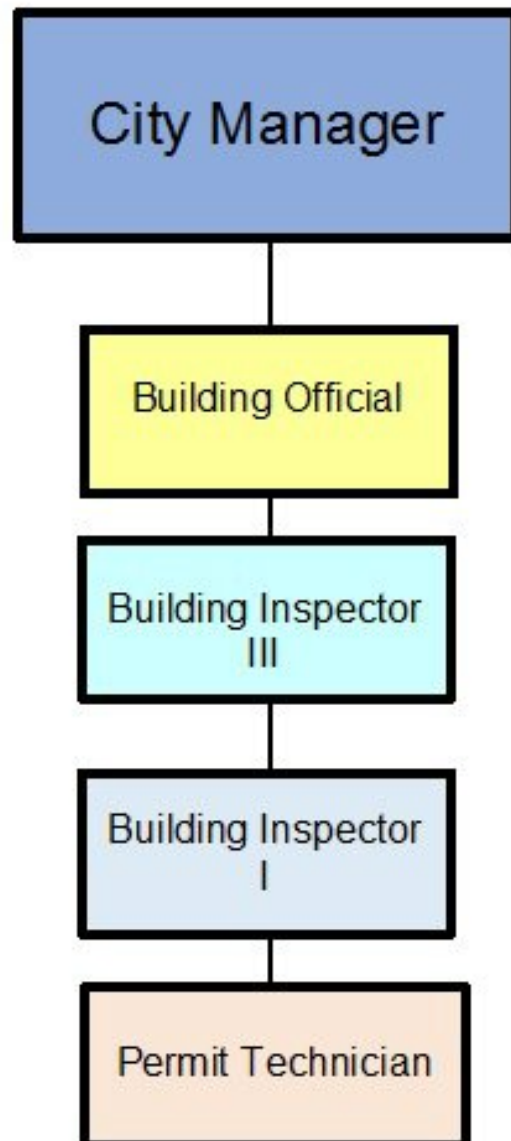
### **Primary Responsibilities**

- Intake and processing of building permit applications
- Review building plans for technical code compliance
- Issue building permits
- Inspect construction works for adherence to approved plans
- Provide consulting services to the public and trade professionals
- Provide a code enforcement function for the community
- Assist in the resolution of citizen complaints of perceived violations of the City's codes.
- Represent the City before public organizations

### **Change in level of service**

The Department of Building and Safety is requesting an increased budget of \$2,123 or 4% over FY 17/18, excluding salaries and benefits. This increase is due primarily to an increase in professional and technical fees for new permit and inspection software including data conversion and minor adjustments to cover supplies.

## Organizational Chart





## Goals and Objectives

<b>Strategic Goal: The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's financial planning</b>		
<b>Goal 1</b>	Increase building permit fees to support department functions	
Objective 1	Adjust building permit fees for inflation	
	Task 1	Review current building permit fee schedule and federal consumer price index for western region
	Task 2	Propose sensible fractional value adjustment to 20-year old permit fee calculators
	Task 3	Prepare staff report and present revised building permit fee schedule to City Council for review and approval
	Task 4	Implement updated permit fee schedule into SmartGov software as approved by Council
<b>Strategic Goal: The City of Fernley, as an employer, must strive to create and maintain a successful and efficient work environment</b>		
<b>Goal 3:</b>	Professional and well-trained staff	
Objective 1	Provide sufficient budget funds for required training	
	Task 1	Determine continuing education units needed by each staff member
	Task 2	Determine least expensive provider of certified professional training, to include travel and per diem costs
	Task 3	Apply item costs to budget request for consideration by Council
Objective 2	Identify local opportunities for certified training	
	Task 1	Research local chapters of professional organizations for training opportunities
	Task 2	Subscribe to local organizations for networking to uncover training programs
	Task 3	Facilitate training opportunities at local venues
	Task 4	Participate in appropriate training for each staff member

## Expenses

Building and Safety		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-605-100	Regular Pay	174,970	210,881	210,881	214,851	198,965	
100-605-130	Overtime Pay	—	385	385	408	408	
100-605-140	Annual Leave Pay	3,768	1,555	1,555	1,647	1,647	
100-605-150	Sick Leave Pay	3,326	—	—	—	—	
100-605-160	Holiday Pay	4,354	—	—	—	—	
100-605-210	Medicare	2,754	3,086	3,086	3,145	2,915	
100-605-220	Unemployment	1,738	2,335	2,335	2,335	2,335	
100-605-230	Retirement	38,951	59,574	59,574	60,695	56,208	
100-605-240	Group Insurance	10,353	28,537	28,537	20,862	20,733	
100-605-250	Workers Compensation Insurance	4,422	8,239	8,239	8,395	7,317	
100-605-260	Other Benefits	5,325	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>249,961</b>	<b>314,592</b>	<b>314,592</b>	<b>312,338</b>	<b>290,527</b>	
100-605-320	Prof Serv-Engineering	590	—	—	—	—	
100-605-322	Prof Serv-Other	—	—	—	15,000	15,000	Code Enforcement
100-605-342	Tech Services-Other	404	—	—	—	—	
100-605-399	Prof & Tech Fees-Misc	5,730	6,303	6,330	10,000	10,000	Permitting software and training
100-605-430	Service-Repair and Maintenance	—	—	—	—	—	
100-605-540	Advertising	—	—	—	300	300	
100-605-550	Printing and Postage	2,395	1,200	1,200	1,200	1,200	
100-605-580	Training	2,850	6,000	6,000	6,000	6,000	Professional certifications
100-605-581	Dues and Memberships	950	1,380	1,520	1,520	1,520	Professional memberships
100-605-600	General Supplies	365	1,000	1,250	1,500	1,500	Inspection tools
105-605-601	Office Supplies	2,694	3,700	3,700	4,000	4,000	
100-605-605	Minor Equipment	6,584	4,427	1,000	2,500	2,500	Inspection equipment
100-605-610	Automotive Supplies	1,230	2,000	3,000	3,000	3,000	
100-605-626	Gasoline	1,794	2,800	2,500	3,000	3,000	
100-605-640	Books and Periodicals	226	2,425	2,425	7,674	7,674	
100-605-645	CLEANUP	—	2,500	2,500	2,500	2,500	Clean sweep
100-605-699	Svc & Supplies-Misc	—	2,640	2,640	2,640	2,640	
100-605-730	Improve other than Buildings	—	22,336	22,365	—	—	
<b>Total Services &amp; Supplies</b>		<b>25,813</b>	<b>58,711</b>	<b>56,430</b>	<b>60,834</b>	<b>60,834</b>	
<b>Total Expenditures</b>		<b>275,774</b>	<b>373,303</b>	<b>371,022</b>	<b>373,172</b>	<b>351,361</b>	

## Planning Department

In FY 18/19, the workload for the planning function is anticipated to increase. Over the past two years, the city has seen a steady increase in the number of entitlement applications, building permits, business licenses, and zoning/code enforcement complaints. With the adoption of an updated master plan, revised zoning and land development code, the more efficient processes, the planning function could see a significant increase in entitlement applications (Design Review, Special Use Permit, Tentative and Final Maps), building permits, business license applications, and code/zoning enforcement complaints. To meet these demands and maintain current levels of service, additional staff will be necessary in FY 18/19. An Associate Planner position has been included in previous position control documents, but has gone unfunded. Staff is requesting authorization to fund an Associate Planner level position in FY 18/19.

The current FY 17/18 budget included \$100,000 to update the City's master plan document. The total budgeted amount for services and supplies minus the \$100,000 for the master plan update is \$17,650. For FY 18/19, the Planning Department is requesting a budget of \$22,650. There are several reasons for the increase. First, as the City moves forward with the planning and design of a community center, a key step in the process is to have a conceptual site plan. The Planning Department is proposing \$10,000 for this purpose. Second, the Planning Department has increased several of the line items to cover costs associated with an additional staff member. There are minor increases proposed for general supplies, office supplies, and minor equipment. The City is looking at new permitting software which will better meet the City's needs. Typically there is cost sharing among the departments utilizing the software. The Planning Department is proposing to increase the amount budgeted for the Professional and Technical Fees - Miscellaneous line item should there be an increase in the cost of the annual fees associated with the permitting software. Lastly, the Planning Department is proposing an increase in the Travel and Training line item. This is largely due to the Planning Director attending the ICMA conference as well as maintaining the AICP certification through continuing education. Council requested an additional \$10,000 be included for professional services. Staff is recommending to leave this amount out of the budget, and staff will make a request to use contingency funds during the fiscal year should the need arise.

Although the City and the Planning Department have made great strides over the past year, much work remains to make the City of Fernley the city of choice for businesses and citizens alike.

### **Mission Statement:**

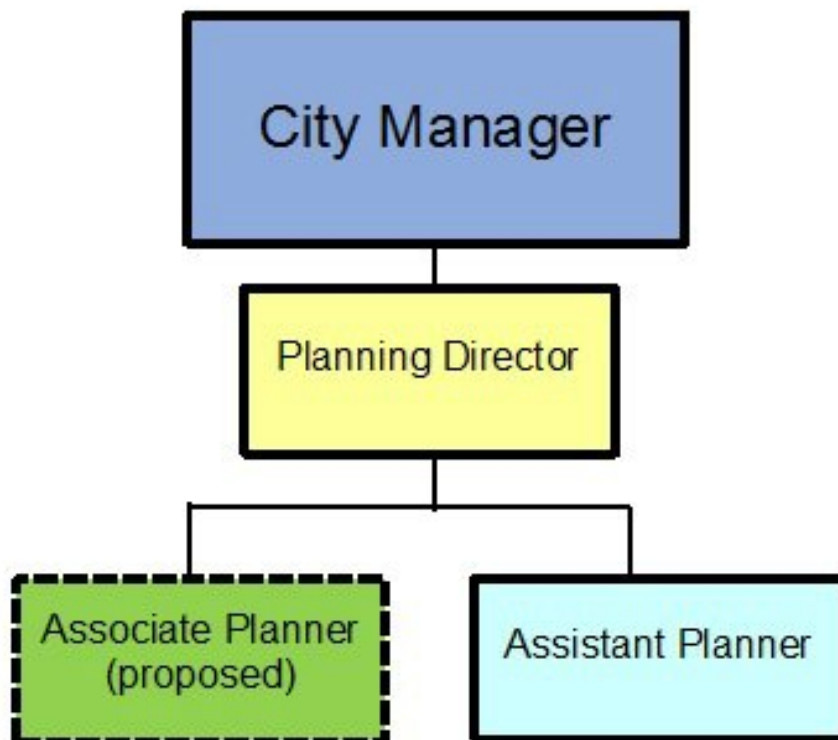
The Mission of the City of Fernley Planning Department is to provide timely, courteous and knowledgeable service to the citizens, Planning Commission and City Council regarding development and land use related matters.

### **Legal Requirements:**

Nevada Revised Statutes Chapter 278 establishes the frame work for planning and zoning in the state.

**Primary Responsibilities:**

Perform professional planning duties; enforce municipal code and adopted standards; analyze proposed development projects; prepare staff reports; give detailed presentations on proposed development to citizens, Planning Commission, and City Council members; review and approve building permits; review and interpret City policies; update the City's master plan document and zoning ordinances; establish and maintain productive, professional working relationships with the community, elected officials, City staff, and other agencies.

**Organizational Chart**

## Goals and Objectives

Strategic Goal: To explore and promote economic development and planned redevelopment opportunities consistent with the community's historical and current identity.

Strategic Goal: To promote citizen engagement and build strong alliances with other government entities, private sector partners, and community members.

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.

### Goal 1: Promote efficient and sustainable land development and redevelopment.

Objective 1	Complete update of City's Master Plan document.	
	Task 1	Adopt updated master plan.
	Task 2	Identify department(s), agencies and/or other partners who are responsible for or who can help implement the master plan goals and policies.
Objective 2	Revise zoning/development code to implement master plan.	
	Task 1	Review existing development code with internal and external customers to identify barriers to development (ongoing).
	Task 2	Review statutory requirements within Nevada Revised Statutes for planning and zoning (ongoing).
	Task 3	Work collaboratively with citizens, city staff, planning commission, city council, and other stakeholders on a comprehensive overhaul of the development code (ongoing).
Objective 3	Streamline the development review process.	
	Task 1	Establish processes and procedures for the planning function (ongoing).
	Task 2	Maintain planning entitlement submittal schedules to better manage workload (ongoing).
	Task 3	Update planning entitlement applications and checklists (ongoing).
Objective 4	Provide a timely, orderly, and efficient arrangement of adequate public facilities and infrastructure that support existing and planned land use patterns and densities.	
	Task 1	Seek assistance from local and national experts on infrastructure financing and commence a more robust Capital Improvement Plan (CIP).
	Task 2	Consider the implementation of impact fees, the creation of special assessment districts (NRS 271 - Local Improvements), or other financing tools which will ensure adequate public facilities are provided concurrent with the impacts of new development.
	Task 3	Consider establishing a redevelopment district.

Strategic Goal: The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's financial planning.

Strategic Goal: The City of Fernley, as an employer, must strive to create and maintain a successful and efficient work environment.

### Goal 2: Work towards becoming a self-sustaining department

Objective 1	Cost recovery for services provided	
	Task 1	Periodically review development fee schedule, compare fees with other local jurisdictions, and modify as necessary to adequately recover costs for services (completed/ongoing).

	Task 2	Establish a baseline level of service provided by the planning function and determine when additional staffing is necessary by analyzing and balancing the costs verses the benefits.			
	Task 3	Review processes and procedures to achieve increased efficiencies and/or reduced costs (ongoing).			
	Task 4	Review budget for potential reduction in expenditures (ongoing).			
Objective 2	Increase the use of technology to gain efficiencies				
	Task 1	Update the Planning Department web page to make information more accessible (ongoing)			
	Task 2	Work with other City departments on refining processes and providing additional information to the public regarding land use and zoning requirements. For example, work with City Clerk’s Office on refining the Business Licensing Review process and providing additional information regarding building/planning requirements with business license applications.			
	Task 3	Work with other City departments on employing a new permitting software to meet the city’s needs.			
Performance Measure: % of Cost Recovery based on Actual Expenditures					
	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17
Actual	\$224,799	\$222,111	\$255,410	\$206,297	\$207,896
Revenue	\$14,451	\$10,414	\$15,517	\$31,400	\$28,000
%Recovery	6.5%	4.7%	6.1%	15.2%	13.5%
FY 17/18					
	Q1	Q2	Q3	Q4	Total*
Actual	\$57,080	\$47,189	\$64,464		\$168,733
Revenue	\$9,926	\$22,062	\$40,080		\$72,069
% Recovery	17.4%	46.8%	62.2%	0.0%	42.7%
FY 18/19					
	Q1	Q2	Q3	Q4	Total
Actual					
Revenue					
% Recovery					

## Expenses

Planning		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-610-100	Regular Pay	122,802	137,839	137,839	197,810	197,810	
100-610-130	Overtime Pay	—	200	200	400	400	
100-610-140	Annual Leave Pay	7,154	—	—	—	—	
100-610-150	Sick Leave Pay	4,024	—	—	—	—	
100-610-160	Holiday Pay	1,571	—	—	—	—	
100-610-210	Medicare	1,908	2,002	2,002	2,874	2,874	
100-610-220	Unemployment	1,174	1,168	1,168	1,751	1,751	
110-610-230	Retirement (PERS)	37,762	38,939	38,939	55,881	55,881	
110-610-240	Group Insurance	21,854	22,905	22,905	40,425	40,425	
100-610-250	Workers Compensation Insurance	2,757	5,384	5,384	7,730	7,274	
100-610-260	Other Benefits	368	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>201,375</b>	<b>208,437</b>	<b>208,437</b>	<b>306,872</b>	<b>306,416</b>	
100-610-320	Prof Serv-Engineering	—	500	500	500	500	Council requested 10000; however staff requests to approach Council to use contingency funds, if needed during FY.
100-610-322	Prof Serv-Other	—	100,000	100,000	—	—	
100-610-342	Tech Services-Other	—	5,000	5,000	2,200	2,200	Main. fee for ArcGIS
100-610-399	Prof & Tech Fees-Misc	7,663	5,750	5,750	10,000	10,000	Permitting software fee
100-610-540	Advertising	—	100	100	—	—	
100-610-550	Printing and Postage	547	500	500	750	750	
100-610-580	Training	75	2,500	2,500	5,000	5,000	ICMA Conference, APA Training
100-610-581	Dues and Memberships	—	1,000	1,000	1,000	1,000	
100-610-600	General Supplies	387	250	250	500	500	
100-610-601	Office Supplies	310	500	500	1,000	1,000	
100-610-605	Minor Equipment	495	1,300	1,300	1,500	1,500	New employee
100-610-626	Gasoline	—	50	50	—	—	
100-610-640	Books and Periodicals	136	200	200	200	200	
100-610-699	SVC & Supplies-Misc	—	—	—	—	—	
100-610-730	Improve other than buildings	—	—	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>9,614</b>	<b>117,650</b>	<b>117,650</b>	<b>22,650</b>	<b>22,650</b>	
<b>Total Expenditures</b>		<b>210,989</b>	<b>326,087</b>	<b>326,087</b>	<b>329,522</b>	<b>329,066</b>	

## City Engineer

### **Mission Statement:**

To provide engineering support for the Planning Department, the Building Department, Public Works, and City staff.

### **Legal Requirements:**

Ensure all plans and projects are compliant with City, County, State and Federal regulations and sound engineering judgment.

### **Primary Responsibilities:**

- Perform engineering plan reviews for development projects occurring in the City of Fernley.
- Perform inspections for development projects occurring in the City of Fernley.
- Process applications regarding water rights, dedications, and will-serves.
- Manage the City's capital improvement projects.
- Create the City's capital improvement program.
- Manage the City's Geographic Information System (GIS) data.

### **Overall Change in Level of Service:**

The department is struggling to provide timely service to customers with current staffing levels and workload. An additional Associate Engineer would help better balance the workload of the department. The department is also taking on new responsibilities for upstream storage and Truckee River Operating Agreement management. A change in position title of current Water Rights and GIS Manager to a Water Resources Manager is proposed. The current job description will be modified to include the new responsibilities and to remove responsibilities not currently being performed. The position will be reviewed to determine a wage scale and included in the proposed position control.

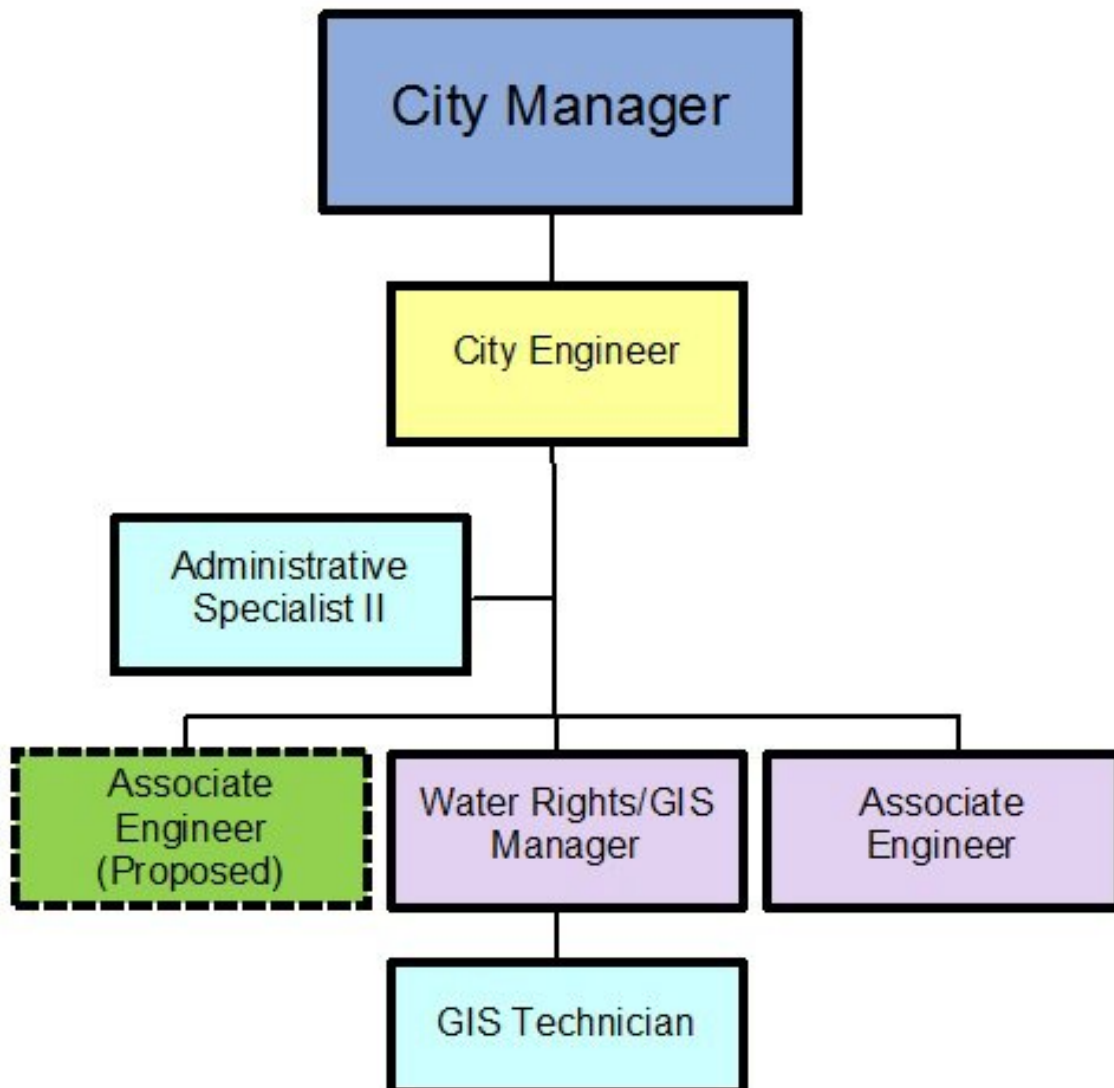
The operation budget proposed includes a reduction of \$2,250 or -30%. Primarily this includes a reduction in professional services, which provides funding for assistance with plan review, inspection, and other miscellaneous tasks. This operating budget funds the day-to-day administration of the department. Capital projects and other costs are captured in other funds since the department provides oversight and support to development and infrastructure projects throughout the City. Council requested \$25,000 for professional services to provide assistance as needed. Staff has requested that these funds be provided through contingency during the Fiscal Year should the need arise.

### **Change in number of positions from Prior FY to the requested FY:**

The department is requesting the current unfunded Associate Engineer position be funded in the FY 18/19 budget. Funding is provided in the position control document to support this position.



## Organizational Chart



## Goals and Objectives

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability				
Goal 1: Complete road maintenance and repair projects in agreement with the City's Pavement Management Plan				
Objective 1	Complete a pavement preservation project			
	Task 1	Use the Streetsaver database to select potential streets for the project		
	Task 2	Determine the appropriate treatment technique for the streets selected		
	Task 3	Complete the design and construction of the project		
Performance Measure: Percentage of pavement project completed				
Pavement Project Complete	Q1	Q2	Q3	Q4
Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability				
Goal 2: Establish an asset management master plan to better focus on the efforts of the department				
Objective 1	Determine state of the GIS data and progress to date using the Vueworks software			
	Task 1	Identify stakeholders in the asset management process		
	Task 2	Create in-house team to determine state of GIS Data/Vueworks software		
	Task 3	Identify any problems or needs that currently exist		
Objective 2	Scope a plan for how to move forward			
	Task 1	Utilize information from first objectives to determine what can be handled in-house and what will require a consultant to assist		
	Task 2	Assign roles and responsibilities to staff and consultants		
	Task 3	Create a formal plan with costs of implementing		
Strategic Plan: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability				
Goal 3: Implement a surface water program				
Objective 1	Surface Water Storage			
	Task 1	Determine desired Fernley credit water to establish for the water year.		
	Task 2	Budget amount needed for Fernley credit water established		
Objective 2	Surface Water Transmission Line to the Water Treatment Plant			
	Task 1	PER for surface water transmission line alternatives to the WTP		
	Task 2	Submit Authorization Request to BOR to deliver surface water to WTP		
	Task 3	Develop and submit OCAP accounting rules for municipal water to BOR		
	Task 4	Identify funding resources and options to complete the work necessary		
Strategic Plan: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability				
Goal 4: Develop a Water Resource Plan				
Objective 1	Develop a basic Water Resource Plan			
	Task 1	Identify an advisory committee		
	Task 2	Create basic plan focusing on limited resources in managing water resource program		
	Task 3	Establish short and medium term priorities for Water Resources including an Annual Budget, CIP Planning, existing Water Conservation Plan, sustainability, and Annual Operating needs		
Objective 2	Coordinate with Stakeholders			
	Task 1	Coordination with TMWA, TCID, BOR and PLPT to accomplish priorities		

## Expenses

Engineering		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-529-100	Regular Pay	81,084	81,703	81,703	98,194	98,194	
100-529-130	Overtime Pay	—	375	375	375	375	
100-529-140	Annual Leave Pay	2,186	823	823	1,171	1,171	
100-529-150	Sick Leave Pay	1,565	—	—	—	—	
100-529-160	Holiday Pay	2,096	—	—	—	—	
100-529-210	Medicare	1,200	1,202	1,202	1,446	1,446	
100-529-220	Unemployment	900	876	876	1,051	1,051	
100-529-230	Retirement (PERS)	16,423	23,081	23,081	27,740	27,740	
100-529-240	Group Insurance	16,462	14,942	14,942	21,287	21,287	
100-529-250	Workers Compensation Insurance	2,089	3,201	3,201	3,844	3,617	
100-529-260	Other Benefits	243	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>124,248</b>	<b>126,203</b>	<b>126,203</b>	<b>155,108</b>	<b>154,881</b>	
100-529-322	Prof. Serv-Other	—	5,000	1,000	1,000	1,000	Inspection and plan review. Council requested this be increased to 25000. Staff would like to use contingency funds, if needed during FY.
100-529-430	Service Repair & Maintenance	—	500	100	1,000	1,000	
100-529-580	Training	565	1,500	1,500	1,500	1,500	Professional development
100-529-581	Dues & Memberships		—	500	1,000	1,000	AWWA, ASCE, Nevada LTAP
100-529-600	General Supplies	1,054	250	2,400	250	250	
100-529-605	Minor Equipment	33	100	100	100	100	
100-529-626	Gasoline	105	100	100	100	100	
100-529-640	Books & Periodicals		—	—	250	250	
<b>Total Services &amp; Supplies</b>		<b>1,758</b>	<b>7,450</b>	<b>5,700</b>	<b>5,200</b>	<b>5,200</b>	
<b>Total Expenditures</b>		<b>126,006</b>	<b>133,653</b>	<b>131,903</b>	<b>160,308</b>	<b>160,081</b>	

# Public Works

*Facilities (General Services)***Mission Statement:**

Within the General Services Division, provide municipal facilities operation and maintenance services to maintain and enhance the City's facilities and grounds.

**Legal Requirements:**

General Services, Facilities follows Fernley Municipal Code Title 20: Parks and Facilities.

**Primary Responsibilities:**

Within the General Services Division, maintain and operate City-owned buildings and grounds for City Hall, Chamber of Commerce, Fernley Desert Memorial Garden Cemetery, and the Train Depot.

Duties include, but are not limited to, general maintenance of City Hall, Chamber of Commerce, Fernley Desert Memorial Garden Cemetery, and the Train Depot. Duties also include small site improvements, housekeeping of all facilities, preparing for City Council meetings, Planning Commission meetings, special meetings, forums, public outreach meetings, and other miscellaneous reservations.

**Overall change in level of service:**

The division completes maintenance projects that will extend the life of the City's facilities. Staff ensure the buildings and grounds are maintained, which entails daily and weekly cleaning schedules as well as determining and scheduling repairs, renovation projects, improvements and safety inspections. Staff oversee a budget and must negotiate with outside vendors for supplies, repairs, and other measures. A capital improvement project (CIP) for the Depot improvements is identified in GL 100-417-730. Replacement of the roof is proposed to carry over to FY 2018/19. Staff has specifications for roofing to publicly bid for the project to get competitive pricing. City Council should consider whether the Depot is desired to remain as a historical structure and repaired with period correct hand cut shingles, or if more modern roofing can be considered with re-categorization with the State Historical Preservation Office (SHPO). Initial estimate from staff/consultant discussions indicate that re-roofing may be \$250,000. Costs may be substantially higher if period correct materials are used.

The operation budget for the Facilities Division includes a reduction of \$62,190 or -24%, excluding salaries and benefits. The budget includes an increase of 58% (\$10,500) in the utility service line item for the water and sewer rate increase. Last year's budget included \$100,000 for the Depot roof, which is not included in the facilities budget this year. The funding, which has increased to \$250,000 has been placed in the Capital Fund, providing for a reduction in the facilities operating budget.

**Change in number of positions from prior fiscal year to requested fiscal year:**

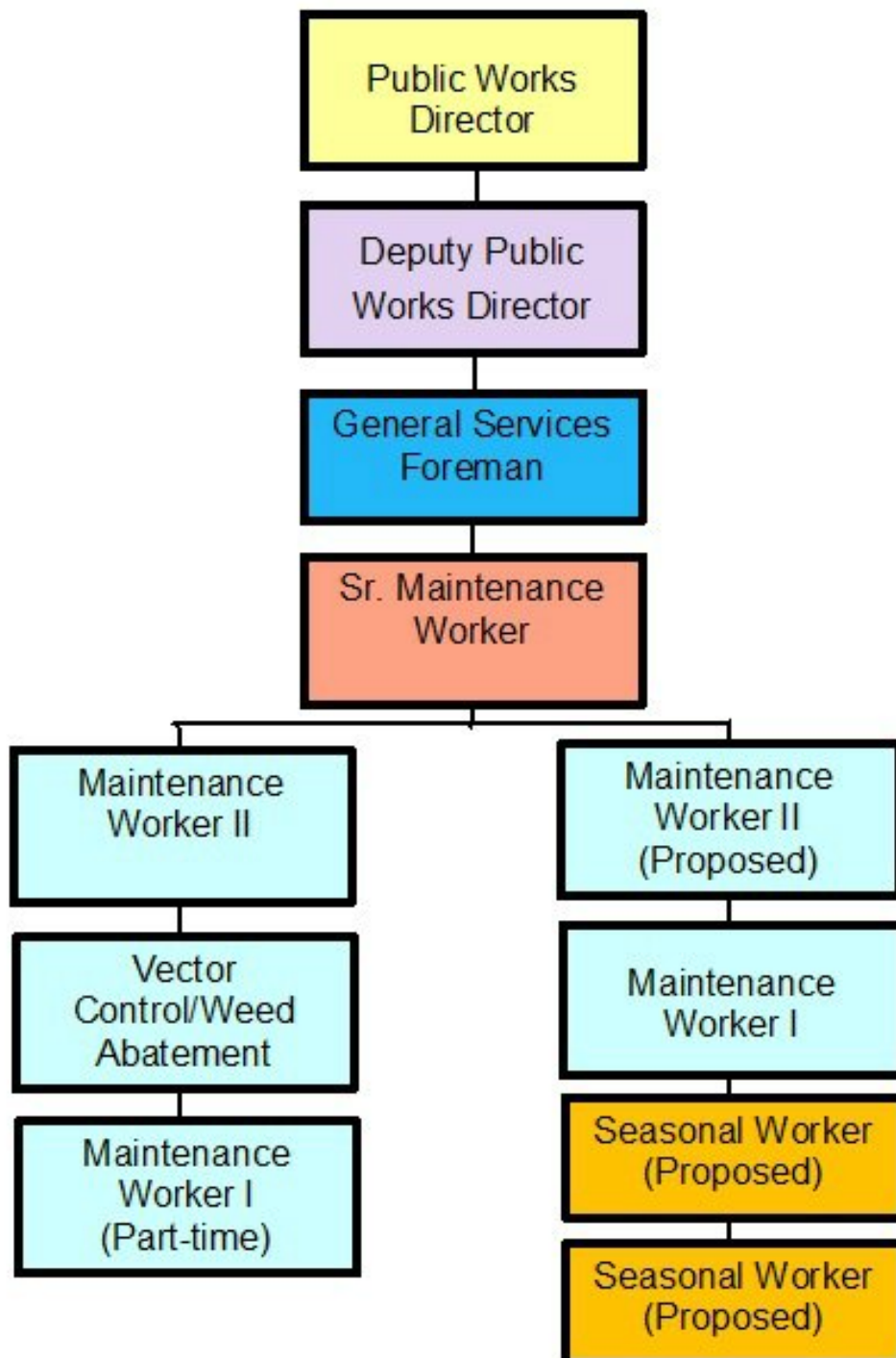
Staff is requesting a reorganization to consolidate the Parks and Facilities Divisions, creating a General Services Division. This request includes the elimination of one (1) Foreman Position (Facilities Foreman) and reclassifying the Parks Foreman to a General Services Foreman. This position will provide oversight of a Sr. Maintenance Worker position, Two (2) Maintenance II positions, One (1) Maintenance I positions, One (1) Vector Control/Weed Abatement position, and two (2) Seasonal positions. These staff will provide the necessary services and functions for both facilities and parks needs.

The consolidation of the divisions will provide vector control on a contract basis for the remainder of this fiscal year. A Vector Control/Weed Abatement position has been created. A formal job description will be presented to City Council for approval, with the proposed position providing vector control services, and weed abatement in various sections of the City including retention basins.

The request also includes the elimination of a seasonal position (which was previously used specifically for facilities) and establishes a permanent part-time position, which will be used for functions specifically established for facilities.

Due to the vacancy and elimination of the Facilities Foreman, the Parks Foreman will serve as interim, consolidating the Parks and Facilities Division upon approval of this transition immediately.

## Organizational Chart



## Goals and Objectives:

Strategic Goal: To explore and promote economic development and planned redevelopment opportunities consistent with the community's historical and current identity				
Goal 1: Operate and maintain City facilities				
Objective 1	Long range planning for Depot			
	Task 1	CDBG Grant Application		
	Task 2	O&M plan for Depot		
	Task 3	Add restroom and other improvements		
Strategic Goal: To promote citizen engagement and build strong alliances with other government entities, private sector partners, and community members				
Goal 2: Excellent customer service				
Objective 1	Timely response to maintenance			
	Task 1	O&M plan for City Hall		
	Task 2	Respond to customer complaints in a timely manner		
	Task 3	Continue to prioritize repairs		
Objective 2	Support and prepare for reservations and special events in City Hall			
	Task 1	Continue to refine reservation request process internally and externally		
	Task 2	Work with outside entities to schedule reservations within working hours		
	Task 3	Budget for overtime to accommodate increase in requests for reservations outside normal operating hours		
Performance Measure: # of complaints and response times				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Complaints				
Response time				



## Expenses

Facilities		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-417-100	Regular Pay	94,175	92,879	92,879	96,279	158,212	
100-417-130	Overtime Pay	6,323	4,375	4,375	4,375	—	
100-417-140	Annual Leave Pay	4,020	622	622	638	3,375	
100-417-150	Sick Leave Pay	2,934	—	—	—	1,065	
100-417-160	Holiday Pay	3,714	—	—	—	—	
100-417-200	FICA	810	—	—	825	—	
100-417-210	Medicare	1,536	1,419	1,419	1,469	825	
100-417-220	Unemployment	1,283	1,051	1,051	1,051	2,358	
100-417-230	Retirement (PERS)	13,916	22,405	22,405	23,289	1,927	
100-417-240	Group Insurance	22,383	25,552	25,552	28,466	40,338	
100-417-250	Workers Compensation Insurance	3,199	3,793	3,793	3,926	51,530	
100-417-260	Other Benefits	283	—	—	—	5,930	
<b>Total Salaries and Benefits</b>		<b>154,577</b>	<b>152,096</b>	<b>152,096</b>	<b>160,318</b>	<b>265,560</b>	
100-417-320	PROF SEV-ENGINEERING	2,903	7,500	7,500	8,000	8,000	Map Optix/VueWorks
100-417-322	Prof Serv-Other	51	—	215	250	250	
100-417-342	Tech Services-Other	—	—	3,006	—	—	
100-417-410	Utility Srv interfund wtr/swr	12,532	18,000	27,500	28,500	28,500	
100-417-412	Utility Services-Refuse	2,343	3,000	3,000	3,000	3,000	Dumpster fees
100-417-420	Contract Services	9,222	13,000	13,000	13,000	13,000	Elevator, floor mats, fire alarm, fire inspections, fire extinguishers
100-417-424	Contract Services-HVAC	5,425	4,000	3,000	4,000	4,000	Filters, belts, fans & misc components
100-417-428	Contract Services-ELECTRICAL	1,447	4,000	3,000	4,000	4,000	Switch repair, lights, bulbs, etc.
100-417-430	Service-Building Repair/Maint	10,275	14,700	10,000	14,000	14,000	Door repair and maint, locks, elevator, plumbing
100-417-441	Rental	—	1,000	1,000	1,000	1,000	Emergency power and ancillary equipment
100-417-520	Insurance	20,463	25,000	25,000	25,000	25,000	
100-417-530	Communications (Internet, Cell)	68,829	87,000	75,000	75,000	75,000	
100-417-540	Advertising	—	100	100	100	100	
100-417-550	Printing and Postage	25,442	26,000	26,000	27,500	27,500	
100-417-580	Training	182	500	500	500	500	Flagger, confined space, applicators training.
100-417-581	Dues and Memberships	33	100	100	100	100	

Facilities		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-417-600	General Supplies	1,734	5,000	5,000	5,000	5,000	HVAC Filters, hand tools, grounds supplies
100-417-601	OFFICE SUPPLIES	475	500	500	500	500	
100-417-605	Minor Equipment	4,230	5,000	5,000	5,000	5,000	Ladder, testing equipment, chain saw, vacuum, utility cart, work
100-417-610	Automotive Supplies	2,699	2,000	2,000	3,500	3,500	
100-417-612	Building Maintenance Supplies	36,875	15,000	10,000	13,000	13,000	
100-417-614	Supplies-Plant/Shop/Maint	1,981	4,000	3,000	4,000	4,000	
100-417-616	Supplies-Safety	655	1,000	1,000	1,000	1,000	
100-417-617	Supplies-Chemical	255	750	750	750	750	
100-417-621	Natural Gas	9,582	9,900	9,900	10,500	10,500	City Hall, Chamber, Depot
100-417-622	Electricity	20,490	27,500	25,000	25,000	25,000	City Hall, Chamber, Depot
100-417-623	PROPANE	54	250	250	250	250	
100-417-625	BULK DIESEL	—	100	100	100	100	
100-417-626	Gasoline	1,694	2,000	2,000	2,000	2,000	
100-417-642	Licenses and Permits	87	400	400	400	400	
100-417-650	Community Support	—	—	—	—	—	
100-417-699	Svc & Supplies-Misc	10	—	—	—	—	
100-417-700	Shared Costs	(92,246)	(119,644)	(119,644)	(99,484)	(99,484)	
100-417-720	Buildings	—	—	—	20,000	20,000	Community Center preliminary engineering and site plan
100-417-730	Improve other than Buildings	9,565	100,000	83,000	—	—	
100-417-741	Machinery	—	—	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>157,289</b>	<b>257,656</b>	<b>226,177</b>	<b>195,466</b>	<b>195,466</b>	
<b>Total Expenditures</b>		<b>311,865</b>	<b>409,752</b>	<b>378,273</b>	<b>355,784</b>	<b>461,026</b>	

*Vector Control (General Services)***Mission Statement:**

To provide municipal vector control services to maintain and enhance quality of life.

**Legal Requirements:**

Vector control is governed by NAC 555, NRS 555, and NAC 441.

**Primary Responsibilities:**

Within the General Services Division, vector abatement within the City limits through fogging, spraying, and other application techniques. The City municipal services such as storm drains, retention basins and waste water holding ponds create habitat for mosquitoes and larvae. The City is responsible to help mitigate standing water areas of vector.

**Overall Change in Service Levels:**

No significant increase or decrease in level of service has been identified.

The measurable goal for the Vector Program is to have zero reports of vector borne illness within the City.

**Change in number of positions from prior FY to requested FY:**

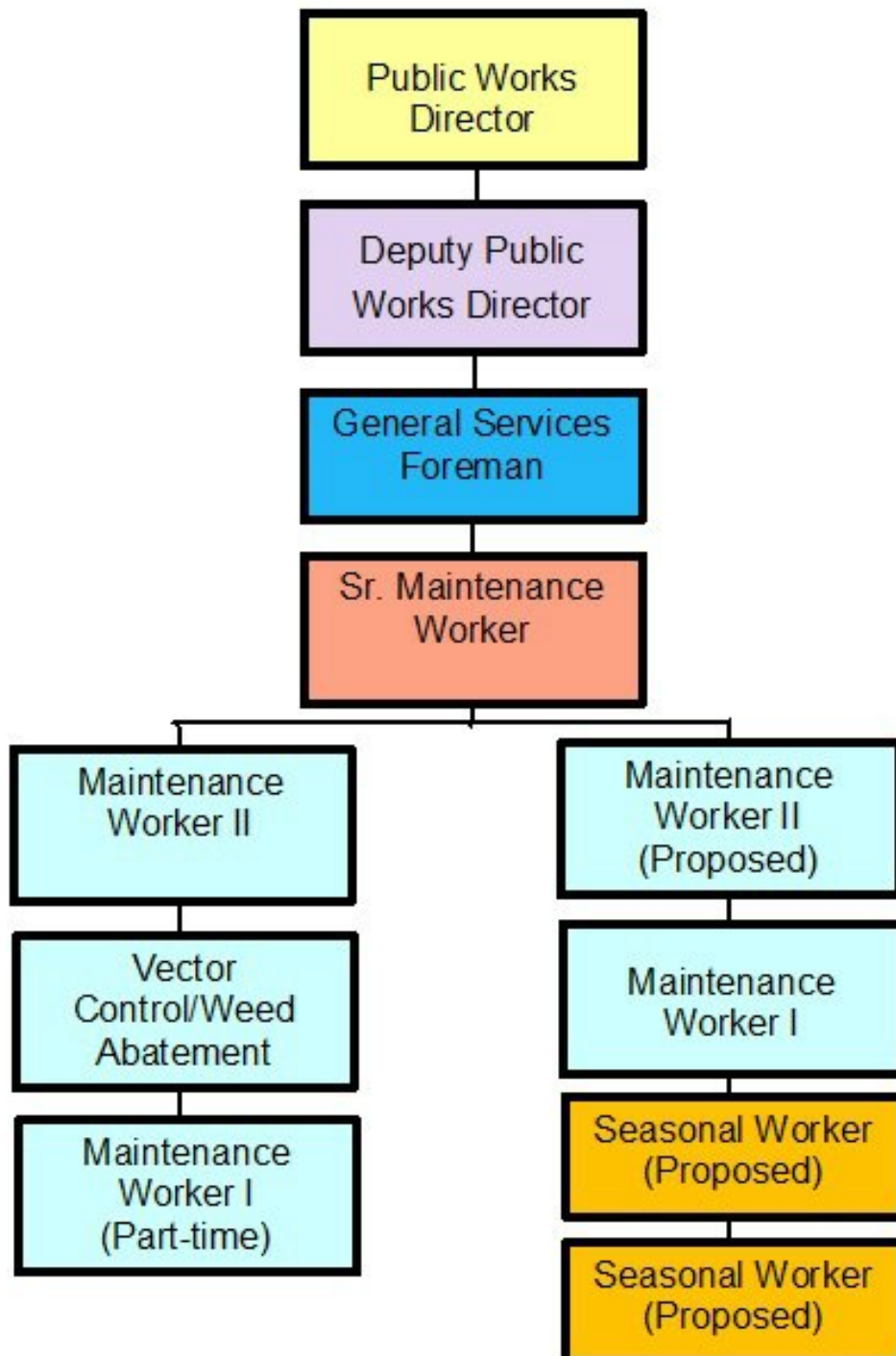
Staff is requesting a reorganization to consolidate the Parks and Facilities Divisions, creating a General Services Division. This request includes the elimination of one (1) Foreman Position (Facilities Foreman) and reclassifying the Parks Foreman to a General Services Foreman. This position will provide oversight of a Sr. Maintenance Worker position, Two (2) Maintenance II positions, One (1) Maintenance I positions, One (1) Vector Control/Weed Abatement position, and two (2) Seasonal positions. These staff will provide the necessary services and functions for both facilities and parks needs.

The consolidation of the divisions will provide vector control on a contract basis for the remainder of this fiscal year. A Vector Control/Weed Abatement position has been created. A formal job description will be presented to City Council for approval, with the proposed position providing vector control services, and weed abatement in various sections of the City including retention basins.

The request also includes the elimination of a seasonal position (which was previously used specifically for facilities) and establishes a permanent part-time position, which will be used for functions specifically established for facilities.

Due to the vacancy and elimination of the Facilities Foreman, the Parks Foreman will serve as interim, consolidating the Parks and Facilities Division upon approval of this transition immediately.

## Organizational Chart



## Goals and Objectives

Strategic Goal: To promote citizen engagement and build strong alliances with other government entities, private sector partners, and community members				
Goal 1: Operate and maintain City's Vector Program				
Objective 1	Continue to respond to vector complaint calls timely and efficiently			
	Task 1	Manage facility projects early in the year to be better prepared for vector applications season		
	Task 2	Prioritize facility complaints and issues and schedule adequate time to address issues		
	Task 3	Use social media to take complaints and provide information to the public		
Objective 2	Continue to increase the level of service			
	Task 1	Look for opportunities to increase training in the office and the field		
	Task 2	Schedule time for training in the office and the field		
	Task 3	Review training at the end of vector season and address any issues or deficiencies for the next season		
Performance Measure: Number of applications, complaints, and response times				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Applications				
Complaints				
Response times				

## Expenses

Vector		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-528-100	Regular Pay	26,879	26,354	26,354	26,929	—	
100-528-130	Overtime Pay	6,003	9,000	9,000	9,000	—	
100-528-140	Annual Leave Pay	1,965	—	—	—	—	
100-528-150	Sick Leave Pay	517	—	—	—	—	
100-528-160	Holiday Pay	1,493	—	—	—	—	
100-528-210	Medicare	504	513	513	521	—	
100-528-220	Unemployment	302	292	292	292	—	
100-528-230	Retirement (PERS)	4,402	7,445	7,445	7,607	—	
100-528-240	Group Insurance	7,053	7,781	7,781	8,159	—	
100-528-250	Workers Compensation Insurance	722	1,379	1,379	1,401	—	
100-528-260	Other Benefits	81	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>49,920</b>	<b>52,764</b>	<b>52,764</b>	<b>53,910</b>	<b>—</b>	
100-528-322	Prof Serv-Other	16,300	18,750	19,500	19,500	19,500	Four helicopter applications, state lab testing.
100-528-430	Service-Repair and Maintenance	796	500	500	500	500	ATV, fogger, power sprayer repair
100-528-580	Travel and Training	59	250	250	250	250	Certificate for applicator, CPR, First Aid
100-528-600	General Supplies	74	500	250	500	500	
100-528-601	Supplies-Office	22	—	—	—	—	
100-528-605	Minor Equipment	1,097	1,350	1,350	1,350	1,350	CO2 light catch traps, piston pump, hoses, nozzles, comp
100-528-610	Automotive Supplies	4,803	4,000	4,000	6,000	6,000	Prop. Fleet, and specific maint. - two trucks and one ATV
100-528-616	Safety Supplies	62	—	2,500	2,500	2,500	
100-528-617	Supplies-Chemical	51,000	62,400	62,400	56,000	56,000	Larvacide, extended release briquettes.
100-528-626	Gasoline	2,767	3,000	3,000	3,000	3,000	
100-528-640	Books and Periodicals	—	—	—	—	—	
100-528-642	Licenses and Permits	216	400	400	400	400	NDEP Permit
100-528-699	Svc & Supplies-Misc	—	—	—	—	—	
100-528-730	Improve other than Buildings	—	—	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>77,197</b>	<b>91,150</b>	<b>94,150</b>	<b>90,000</b>	<b>90,000</b>	
<b>Total Expenditures</b>		<b>127,117</b>	<b>143,914</b>	<b>146,914</b>	<b>143,910</b>	<b>90,000</b>	

*Cemetery (General Services)***Mission Statement:**

To provide municipal operation and maintenance of the City's Desert Memorial Gardens Cemetery to insure the maintenance of a uniform and peaceful place of rest within the City of Fernley.

**Legal Requirements:**

The operation of the cemetery is governed by City of Fernley Municipal Code Title 12 and Nevada Revised Statute (NRS) 451 & 452.

**Primary Responsibilities:**

The General Services Division is responsible for the operation and maintenance of the buildings and grounds for City Hall, Chamber of Commerce, the Train Depot, as well as the Fernley Desert Memorial Garden Cemetery. Responsibilities pertaining to the cemetery include but are not limited to:

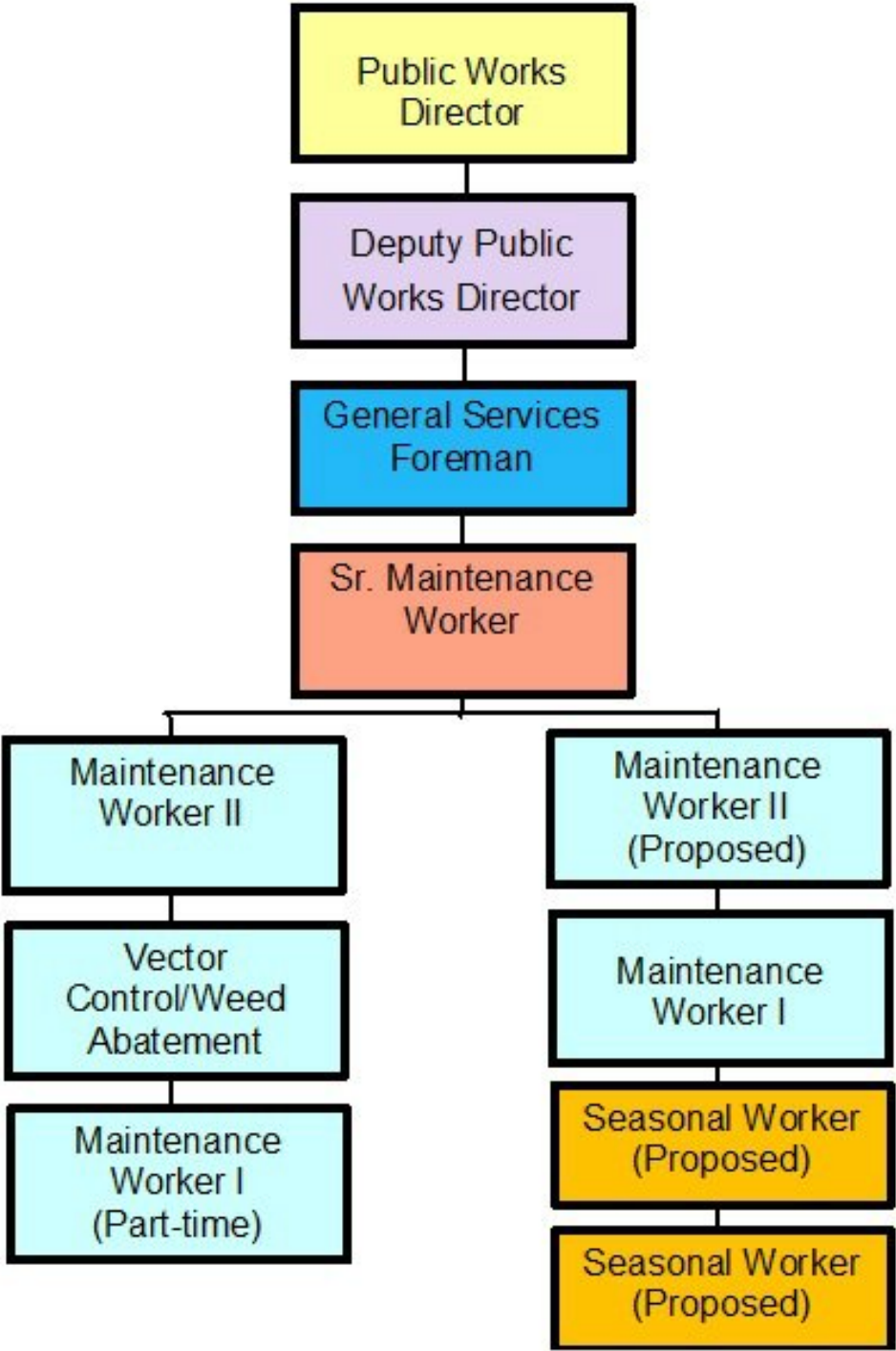
- Marking for and ensuring clean up after internments
- Site maintenance
- Grounds keeping
- Interment assistance (lower device)
- Recordkeeping

**Overall Change in Service Levels:**

Cemetery functions will be managed through the General Services Division. The operating budget proposed includes material expenses incurred during the care of the cemetery. The division will continue to compete maintenance projects identified over the sixth year of ownership. The projects may include: aggregate roadway, irrigation repairs, and operation of software tracking, liabilities, revenue, and refunds. Hearses and other vehicles authorized to enter the facility through the front gates have had issues with getting stuck in the soft soils. Public Works staff will continue to meet monthly and work through revisions to the Cemetery Ordinance, which was presented to City Council for approval last fiscal year. The ownership of the cemetery takes significant effort from the Public Works staff.

The proposed operation budget for FY 2018/2019 includes an increase of \$8,300 or a 39% increase over FY 2017/2018. This includes a slight increase in utility service for the rate increase, and an increase in repair and maintenance for lighting, fence repairs, irrigation supplies.

Organizational Chart





## Goals and Objectives

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability				
Goal 1: Operate and maintain the cemetery respectfully and effectively while maintaining these hallowed grounds befitting all these who rest here in quiet repose				
Objective 1	Continue to refine the ordinance associated with the cemetery and develop a conceptual plan			
	Task 1	Maintain and refine the Caselle Tracking software		
	Task 2	Implement the operation and maintenance plan		
	Task 3	Hire consultant to provide conceptual plan		
Strategic Goal: Interact and engage with the community's citizens, business community, and visitors in ways that are polite, professional, and performed consistent with the Strategic Plan				
Goal 2: Provide the best customer service we can in the field and office				
Objective 1	Provide respect and compassion to customers			
	Task 1	Assist customers with paperwork in time of sorrow		
	Task 2	Continue to update purchased plot information on files		
	Task 3	Maintain and improve cemetery beauty		
Performance Measure: Number of customers assisted				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
# of customers				

## Expenses

Cemetery		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-576-320	Professional Svcs. Engineering	—	—	—	—	—	
100-576-410	Utility SRV Interfund W & S	4,709	8,000	9,000	10,000	10,000	Rate increase
100-576-412	Utility Services - Refuse	—	—	—	500	500	Trash fees for adjacent parcels
100-576-428	Contract Svcs. Electrical	—	—	—	—	—	
100-576-430	Service Repair & Maintenance	1,474	4,000	4,000	9,000	9,000	Lighting repair/ upgrade, landscape, aggregate base, asphalt, grave liners
100-576-600	General Supplies	5,245	8,500	8,500	8,500	8,500	Concrete, trees/ plants, landscape, aggregate base, asphalt, grave liners
100-576-601	Office Supplies	—	—	—	—	—	
100-576-614	Plant/Shop Maint. Supplies	126	500	500	800	800	Paint, cleaners, interment equipment, trash bags, toilet supplies, new hoses, new weed trimmer
100-576-617	Chemical Supplies	—	200	200	200	200	Herbicides/ pesticides, rodent control
100-576-622	Electricity	402	—	500	500	500	
100-576-623	Propane	12	100	100	100	100	Vegetation Control
100-576-642	Permits & Licenses	—	100	100	100	100	Filing with state
<b>Total Services &amp; Supplies</b>		<b>11,968</b>	<b>21,400</b>	<b>22,900</b>	<b>29,700</b>	<b>29,700</b>	
<b>Total Expenditures</b>		<b>11,968</b>	<b>21,400</b>	<b>22,900</b>	<b>29,700</b>	<b>29,700</b>	

*Streets and Storm Drains***Mission Statement:**

To provide municipal operation and maintenance of the City's streets and storm drain infrastructure to maintain and enhance quality of life.

**Legal Requirements:**

The operation and maintenance of the City's traffic control devices is governed by the Manual on Uniform Traffic Control Devices (Federal Rule).

**Primary Responsibilities:**

The primary responsibilities of this department are to operate and maintain the streets and storm drain systems owned by the City. This includes drainage ditches, drop inlets, underground storm drain conveyance, retention and detention basins, streets and rights of way owned by the City, traffic signs, and traffic lights. The operation and maintenance of the facilities is done to enhance the safety of the traveling public and to preserve the City's transportation infrastructure.

**Overall Change in Service Levels:**

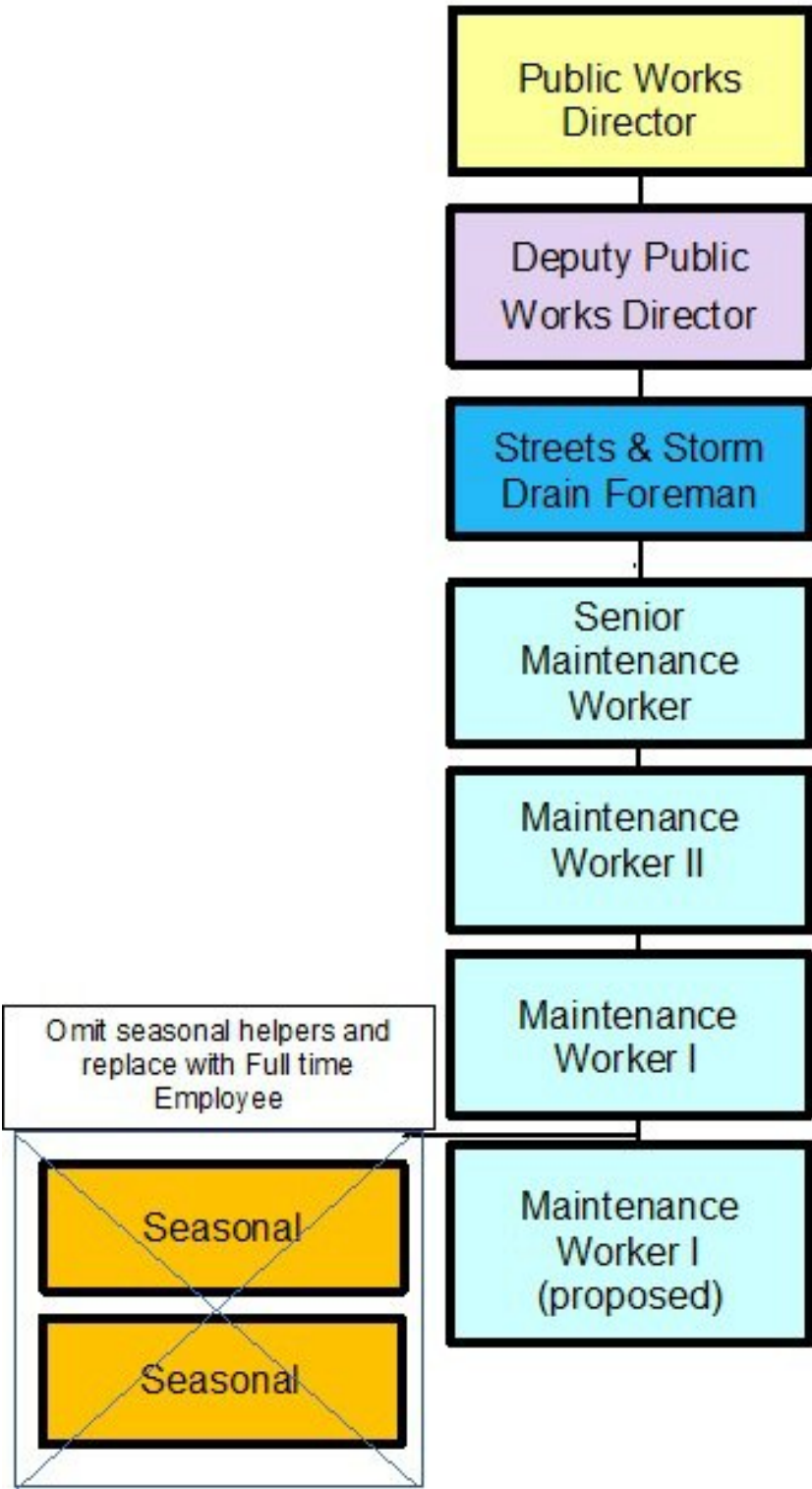
Staff requests the use of contract services to increase the maintenance capabilities of the small department staff. Contract services include a striping contractor, and a storm drain cleaning and inspection contractor. The City has one street sweeper, which is light duty and aging, to maintain regular debris. However, if the sweeper has a catastrophic breakdown, the City will utilize available contracting funds for cleanup. \$12,500 is included in the budget for sweeping and striping. Streets staff focus on repair and patching the worst streets to make them more passable. Through the Pavement Management Plan, which is a function of the City Engineering Department, funding is allocated through the Capital Improvement Process to identify improvements to extend the life of better conditioned streets.

\$50,000 has been appropriated for the retention basin maintenance. These funds are to provide contract services to ensure existing basins are not a life and safety issue. In future years, funding will be provided to provide for improvements to specific basins that require upgrades to function efficiently and safely. \$12,500 has been included for a light tower.

**Change in number of positions from prior FY to requested FY:**

The Streets and Storm Drain Division is requesting to remove the two (2) seasonal workers, which were utilized previously for city-wide weed abatement, storm drain maintenance, and pothole repair during the spring through fall months. Alternatively, staff requests 1 FTE, in-lieu-of the two seasonal positions. When the Streets Division is making repairs in the right-of-way, two (2) employees are needed to provide proper traffic control. This leaves two (2) employees to operate equipment and perform repair work. The additional staff member would provide relief to this potentially dangerous situation. It should be noted, repairs are performed all year. Additionally, the Streets Division responds to repair areas with asphalt once a water or sewer leak has been fixed and back-filled, which may occur at inopportune times and conditions.

Organizational Chart



## Goals and Objectives

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability				
Goal 1: Asphalt management				
Objective 1	To maintain city streets with higher rated PCI			
	Task 1	Maintain the City's PCI suing contract staff through wide crack removal, crack seal, and surface treatment to improve and extend pavement life		
	Task 2	Repair wide cracks throughout the City with in-house staff to extend pavement life and improve ride quality and safety		
Objective 2	Ensure safe and efficient travel by operating and maintaining city traffic signals/signage			
	Task 1	Continue to utilize contract services to maintain and operate city traffic signals		
	Task 2	Inspect signals and perform routine sign maintenance		
Objective 3	Create a policy to maintain the city storm drain system			
	Task 1	Obtain ownership of retention basins per storm drain master plan recommendations		
	Task 2	Inspect and repair basins to correct life and safety issues		
	Task 3	Prepare and plan for funding mechanism to perform yearly maintenance on basins owned by the City.		
Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability				
Goal 2: Weed abatement/street sweeping				
Objective 1	Control and eliminate noxious weeds growing in city owned right of ways and easements utilizing the most current products and technology through contract and in house labor			
	Task 1	Control and eliminate noxious weeds in city owned right of ways and easements by burning and mechanical removal utilizing in house and contract/part time labor		
	Task 2	Add permanent employee to assist with this program		
Objective 2	Operate an effective street sweeping program to improve air and water quality and improve the performance of the city's storm water conveyance infrastructure			
	Task 1	Continue street sweeping operations using the city owned sweeper and manpower on a manpower limited basis		
	Task 2	Contract services can be used to augment during time of large storm events or in case of city owned equipment malfunction		
Performance Measure: Number of areas cleaned and time spent				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
# of areas cleaned				
Time spent				
Strategic Goal: The City of Fernley, as an employer, must strive to create and maintain a successful and efficient work environment				
Goal 3: Training and manpower				
Objective 1	Improve city operations through workforce development and employee training			
	Task 1	Continue employee training and development utilizing the state of Nevada LTAP center, contract heavy equipment training centers, and in house equipment and operations training		
	Task 2	Maintain Commercial Drivers Licenses and continue to train on equipment		
	Task 3	Look for new opportunities to keep up with current BMP's		

## Expenses

Streets		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-475-100	Regular Pay	247,144	256,713	256,713	264,307	264,307	
100-475-120	Standby Pay	2,558	3,024	3,024	3,780	3,780	
100-475-130	Overtime Pay	12,805	10,375	10,375	12,875	12,875	
100-475-140	Annual Leave Pay	16,275	2,032	2,032	2,084	2,084	
100-475-150	Sick Leave Pay	6,846	—	—	—	—	
100-475-160	Holiday Pay	10,065	—	—	—	—	
100-475-200	FICA	1,325	—	—	—	—	
100-475-210	Medicare	4,125	3,946	3,946	4,104	4,104	
100-475-220	Unemployment	3,653	3,123	3,123	3,707	3,707	
100-475-230	Retirement (PERS)	49,057	64,856	64,856	74,667	74,667	
100-475-240	Group Insurance	60,321	78,595	78,595	70,172	70,172	
100-475-250	Workers Compensation Insurance	10,721	10,534	10,534	10,958	10,311	
100-475-260	Other Benefits	2,661	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>427,556</b>	<b>433,198</b>	<b>433,198</b>	<b>446,654</b>	<b>446,007</b>	
100-475-320	Prof Serv-Engineering	5,403	75,000	—	380,000	380,000	ADA Transition Plan Infrastructure Survey and Inventory 150,000; Transportation Master Plan 150,000; PMP Engineering Services Contract (Design) 80,000
100-475-322	Prof Serv-Other	3,707	6,000	6,000	6,000	6,000	Pool pact, CDL screening, tree removal
100-475-342	Tech Services-Other	600	10,000	10,000	50,000	50,000	Contract services for retention basins citywide (\$50K)
100-475-412	Utility Services-Refuse	17,202	9,000	9,000	12,500	12,500	Cottonwood dumpster (shared costs), street sweeping debris haul-off
100-475-420	Contract-Street Sweeping	48,524	12,500	12,500	50,000	50,000	Sweeping/stripping/storm drain cleaning
100-475-422	Contract-Traffic Light Maintenance	15,103	16,500	16,500	25,000	25,000	Calibration of conflict monitors, cabinet repairs, video detection unit replacement, street light LED replacement
100-475-426	Contract-Striping	—	—	—	—	—	
100-475-430	Service-Repair and Maintenance	481,950	15,000	—	525,000	525,000	Annual crack repair project 90,000; Equipment repair and maintenance (heavy) 15,000; PMP Construction 420,000
100-475-441	Rentals	5,698	3,000	3,000	6,000	6,000	Emergency generator/equipment/truck rental
100-475-540	Advertising	—	500	500	500	500	
100-475-550	Printing and Postage	500	1,000	1,000	1,000	1,000	

Streets		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-475-580	Training	313	2,500	2,500	2,500	2,500	PDH for Eng/PW/WR, LTAP, Confined space, Flagger
100-475-581	Dues and Memberships	193	500	500	500	500	APWA and ASCE memberships
100-475-585	Educational Assistance Program	—	500	500	500	500	
100-475-600	General Supplies	51,262	50,000	75,000	75,000	75,000	Concrete, aggregate base, cold mix asphalt, HM asphalt, lumber
100-475-601	Supplies-Office	1,695	2,000	2,000	2,000	2,000	General office, printer cart., ink, paper, pens, files (GIS appropriated costs)
100-475-605	Minor Equipment	9,996	12,500	12,500	12,500	12,500	Computer, chain saw, trimmer, trash pump, gas auger, hand tools (replacement)
100-475-610	Automotive Supplies	12,490	15,000	15,000	15,000	15,000	Proportionate fleet costs and specific facility vehicle repair items 6 trucks
100-475-612	Supplies-Building Maintenance	2,998	2,000	2,000	2,000	2,000	
100-475-614	Supplies-Plant/Shop/Maint	3,045	5,000	5,000	5,000	5,000	Cottonwood shop supplies for fabrication, lighting, hardware, equip (fleet approp)
100-475-615	Supplies-Signs and Striping	27,324	37,000	37,000	37,000	37,000	Road sign replacement (MUTCD standards), striping paint, thermal tape, Neighborhood Watch Signs
100-475-616	Supplies-Safety	5,000	5,000	5,000	5,000	5,000	PPE, first aid kits, signage, uniforms, laundry service for chemical use, misc
100-475-617	Supplies-Chemical	2,287	8,500	8,500	8,500	8,500	Weed abatement and removal chemicals, contract weed re
100-475-621	Natural Gas	—	500	500	500	500	
100-475-622	Electricity	171,948	175,000	175,000	185,000	185,000	Traffic and street lighting, Cottonwood shop
100-475-623	Propane	3,815	5,000	5,000	5,000	5,000	Weed burning, crack sealer, patch machine heater
100-475-625	Bulk Diesel	3,726	5,000	5,000	5,000	5,000	Proportionate fleet - 5 vehicles & heavy equip
100-475-626	Gasoline	9,592	15,000	15,000	15,000	15,000	Proportionate fleet - 5 vehicles & heavy equip
100-475-640	Books and Periodicals	256	1,000	1,000	1,000	1,000	MUTCD, Silver Book, Orange Book revisions
100-475-642	Licenses and Permits	247	250	250	250	250	Encroachment permits
100-475-643	PROPERTY TAXES/ ASSESSMNTS/ FEES	5	—	—	—	—	
100-475-730	Improve other than Buildings	—	1,198,273	1,198,273	1,469,953	1,469,953	Hardie Ln 1,330,000; Farm Dist Rd MUP P2 139,953.
100-475-741	Machinery	15,636	20,500	20,500	12,500	12,500	Light tower

Streets		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-475-742	Vehicles	—	—	—	11,250	11,250	Proportionate share
100-475-745	RTC REIMBURSABLE EXPENDITURES	298,557	3,700,000	272,125	3,900,000	3,900,000	RTC, Hardie Ln
<b>Total Services &amp; Supplies</b>		<b>1,626,629</b>	<b>5,842,721</b>	<b>2,349,846</b>	<b>6,826,953</b>	<b>6,826,953</b>	
<b>Total Expenditures</b>		<b>1,626,629</b>	<b>5,842,721</b>	<b>2,349,846</b>	<b>7,273,607</b>	<b>7,272,960</b>	



*Parks (General Services)***Mission Statement:**

To provide municipal parks operation and maintenance services to maintain and enhance the City's parks and open spaces.

**Legal Requirements:**

The General Services Division follows City of Fernley Municipal Code Title 20: Parks and Recreation Facilities.

**Primary Responsibilities:**

The General Services Division is responsible for the operation and maintenance of City parks, sports fields, and open space areas. Duties include, but are not limited to, turf maintenance, scheduling sports league practices and games, operation and maintenance of park restrooms, maintenance of park equipment, maintenance of rodeo grounds, preparing for and assisting with special events and park reservations, minor and major repairs, and other miscellaneous items.

**Overall Change in Service Levels:**

Staff continues to improve the quality of existing parks using the recently adopted Parks Master Plan (PMP) as a guideline for priorities. Staff will continue to complete general maintenance projects to improve park appearance and functionality including pathways with landscaping, walking, and seating areas. Staff will continue to improve the overall security of the parks by installing more cameras and better lighting to help curb vandalism.

The General Services Division currently has a very capable staff to continue with concrete walkways, asphalt drives, landscape improvements, scoreboard pole replacement, rodeo ground improvements and other smaller projects.

Equipment requests this year include the replacement of an aging fleet vehicle. The division is requesting the purchase of a 4-wheel drive, crew cab truck with bed to replace the truck that is currently assigned to the General Services Division. The General Services Division uses the vehicle to transport mowers, tractors, and dump trailers using a 1/2-ton truck. The Fleet Division will reassign the current 1/2-ton truck pursuant to the City of Fernley Fleet Management Policy (FMP). Pursuant to Policy, the duties of the Fleet Foreman include recommendations for acquisition, disposition, or reassignment of fleet assets. The service miles and age recommended for vehicle replacement pursuant to FMP, Table 4.1, Appendix 8, Replacement Standard. The 1999 Ford 1/2-ton vehicle will be disposed of through the property disposal agent, the City Manager.

For FY 2018/2019, the General Services Division (Parks) is proposing \$622,800 operating budget, which is a \$73,350 or -11% decrease from FY 2017/18. This is primarily due to an adjustment made to the anticipated cost for the water ancillary fee being overestimated the previous year.

**Change in number of positions from prior FY to requested FY:**

Staff is requesting a reorganization to consolidate the Parks and Facilities Divisions, creating a General Services Division. This request includes the elimination of one (1) Foreman Position (Facilities Foreman) and reclassifying the Parks Foreman to a General Services Foreman. This position will provide oversight of a Sr. Maintenance Worker position, Two (2) Maintenance II positions, One (1) Maintenance I positions, One (1) Vector Control/Weed Abatement position, and two (2) Seasonal positions. These staff will provide the necessary services and functions for both facilities and parks needs.

The consolidation of the divisions will provide vector control on a contract basis for the remainder of this fiscal year. A Vector Control/Weed Abatement position has been created. A formal job description will be presented to City Council for approval, with the proposed position providing vector control services, and weed abatement in various sections of the City including retention basins.

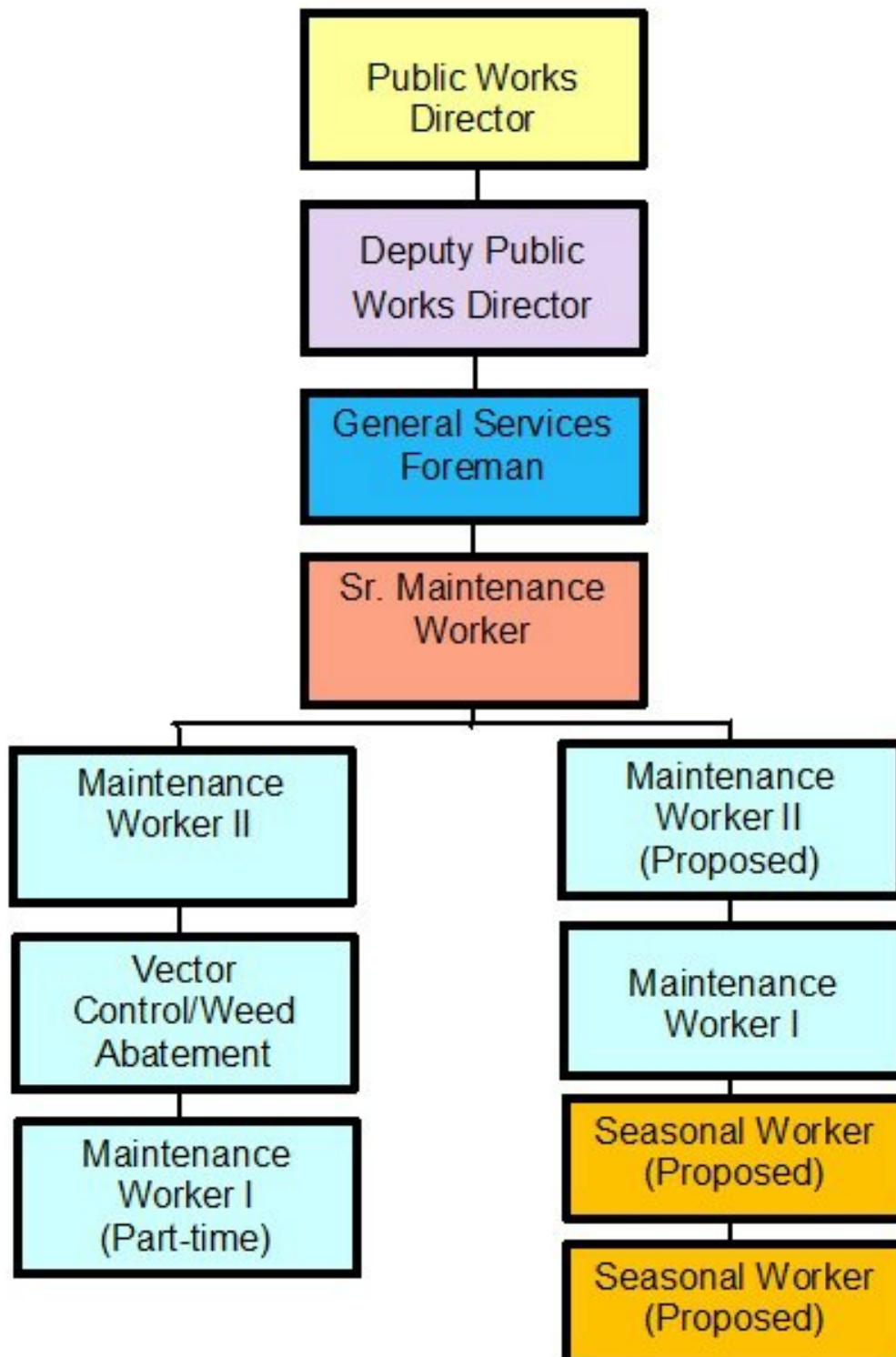
The request also includes the elimination of a seasonal position (which was previously used specifically for facilities) and establishes a permanent part-time position, which will be used for functions specifically established for facilities.

Due to the vacancy and elimination of the Facilities Foreman, the Parks Foreman will serve as interim, consolidating the Parks and Facilities Division upon approval of this transition immediately.

With the adoption of the Parks Master Plan, it is evident that the General Services Division is substantially under staffed (PMP, page 91). The City currently has three (3) full-time equivalent (FTE) staff. In comparison to comparable cities, as identified in the PMP, this is significantly below the average of 14 FTEs in other cities. When evaluating the number of FTEs by acres of park, the City has approximately one (1) maintenance worker for every 27 acres of park. On average, other communities have one (1) maintenance worker for 18 acres of park. Fernley staff maintain 35% more park area per employee. Adding 1.5 to 2 FTEs would bring the City of Fernley more in alignment with other communities. That number would need to increase with additional park development to satisfy future needs. For reference, National Recreation and Park Association's (NRPA) 2017 Agency Performance Review shows that typically jurisdictions have 7.3 FTEs on staff for every 10,000 residents. (For Fernley, that would equate to 14.2 FTEs). It should be noted, that this metric includes staff for recreation programming. As the City looks toward the future, providing programming to the residents should be considered.

The two (2) seasonal positions augment staffing during the busy sports season, from spring to fall. These positions assist during the heavy workload in the summer months and provide an opportunity to staff the parks during the evening hours. This helps deter vandalism and keep the parks clean and restrooms stocked during the busiest times.

## Organizational Chart



## Goals and Objectives

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.

### Goal 1: Regularly maintain City's parks and open spaces

Objective 1	Improve operations common maintenance tasks	
	Task 1	Continue to use seasonal help to break into more efficient work crews
	Task 2	Provide more education and training on parks equipment
	Task 3	Provide adequate equipment/supplies to assist the parks department
Objective 2	Continue to use and improve operations and maintenance manual	
	Task 1	Track progress of maintenance tasks monthly
	Task 2	Set annual date to revise and improve upon the operations and maintenance plan with redlines and comments

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.

### Goal 2: Increase security and safety

Objective 1	Increase security and safety	
	Task 1	Determine areas with the most vandalism
	Task 2	Respond quickly to damage and look for ways to improve security
	Task 3	Utilize additional cameras and work with the LCSO

### Performance Measure: Number of vandalism incidents and cost

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
# of incidents				
Cost				

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.

### Goal 3: Make parks more functional and aesthetically pleasing

Objective 1	Add and or increase restroom facilities	
	Task 1	Improve upon restroom facilities with portable toilets to have them open even in the winter and after hours
	Task 2	Maintain portable toilets through a contract service
	Task 3	Look for more areas and events that could benefit from added services
Objective 2	Aesthetic improvements	
	Task 1	Improve walking paths and weed prone areas with concrete or asphalt
	Task 2	Add landscape areas to existing parks to improve looks

## Expenses

Parks		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-575-100	Regular Pay	185,186	195,198	195,198	230,448	188,559	
100-575-120	Standby Pay	6,066	7,866	7,866	10,488	10,488	
100-575-130	Overtime Pay	6,380	17,625	17,625	23,375	17,625	
100-575-140	Annual Leave Pay	9,883	2,054	2,054	2,083	1,236	
100-575-150	Sick Leave Pay	4,987	—	—	—	—	
100-575-160	Holiday Pay	7,198	—	—	—	—	
100-575-200	FICA	1,612	1,650	1,650	1,650	1,650	
100-575-210	Medicare	3,007	3,230	3,230	3,863	3,160	
100-575-220	Unemployment	2,606	2,715	2,715	3,298	2,715	
100-575-230	Retirement (PERS)	32,913	47,478	47,478	57,283	45,449	
100-575-240	Group Insurance	43,885	53,062	53,062	70,504	55,569	
100-575-250	Workers Compensation Insurance	5,697	8,607	8,607	10,308	7,952	
100-575-260	Other Benefits	796	—	—	—	—	
<b>Total Salaries and Benefits</b>		<b>310,216</b>	<b>339,485</b>	<b>339,485</b>	<b>413,300</b>	<b>334,403</b>	
100-575-320	Prof Serv-Engineering	2,903	7,500	7,500	17,500	17,500	20% Mapoptix & Vueworks fees
100-575-322	Prof Serv-Other	240	—	125	—	—	
100-575-342	Tech Services-Other	—	—	—	—	—	
100-575-400	Interfund WTP Debt Assessment	39,826	95,000	95,000	75,000	75,000	Water bond debt assessment for parks meters
100-575-410	Utility Srv Interfund wtr swr	149,992	275,000	275,000	275,000	275,000	Water and sewer bills for usage
100-575-412	Utility Service-Refuse	4,689	7,600	7,600	7,600	7,600	Dumpster Service
100-575-420	Contract Services	102,313	37,500	37,500	37,500	37,500	Fencing repair/replace, contract for roundabout landscape maintenance, rodent contractor, 10K for portable restroom maintenance
100-575-428	Contract Services-ELECTRICAL	6,369	10,000	12,623	10,000	10,000	Electrical and lighting repair and replace
100-575-430	Service-Repair and Maintenance	15,838	20,000	20,000	20,000	20,000	Restroom repair/maintain, gazebos & park amenities, fleet maintenance
100-575-441	Rental	1,075	2,000	2,000	2,000	2,000	Emergency truck/equipment rental
100-575-540	Advertising	—	100	100	100	100	Public notices, job postings
100-575-550	Printing and Postage	47	500	500	500	500	
100-575-580	Training	620	1,000	1,000	1,000	1,000	Herbicide/Pesticide applicator training, CEU's and PDH's, GIS training

Parks		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
100-575-581	Dues and Memberships	50	300	300	300	300	APWA, ASCE proportionate share
100-575-585	Educational Assistance Program	—	500	—	500	500	
100-575-600	General Supplies	66,469	67,000	67,000	67,000	67,000	Seed fertilizer, top soil, bark, aggregates, lumber, building supplies
100-575-601	Office Supplies	682	500	500	500	500	Pens, paper, ink, proportionate share
100-575-605	Minor Equipment	11,649	17,000	17,000	17,000	17,000	Repair/replace trimmers, blowers, vacuums, saws, lifts, ladders, computers, security cameras
100-575-610	Automotive Supplies	6,714	10,000	10,000	10,000	10,000	Proportionate fleet, facility vehicle repair - 4 vehicles + equip
100-575-612	Building Maintenance Supplies	3,933	5,000	5,000	5,000	5,000	Cleaning supplies, restroom supplies, paper products
100-575-614	Supplies-Plant/Shop/Maint	238	500	500	500	500	modular office, workshop repairs and supplies
100-575-616	Safety Supplies	798	600	1,000	1,000	1,000	PPE, first aid kits, signage, misc
100-575-617	Supplies-Chemical	—	1,000	1,000	1,000	1,000	Rodent control, insecticides, pesticides, herbicides
100-575-622	Electricity	18,370	23,000	23,000	23,000	23,000	Bills for parks facilities and lighting
100-575-623	Propane	674	1,800	1,800	1,800	1,800	Weed burning, heaters
100-575-625	Bulk Diesel	3,726	4,000	4,000	4,000	4,000	Prop. Fleet - equipment
100-575-626	Gasoline	5,118	8,500	8,500	8,500	8,500	Prop. Fleet - vehicles + equipment
100-575-642	Licenses and Permits	16	250	250	250	250	permit fees
100-575-643	Property Taxes/ Assessments/ Fees	—	—	11	—	—	
100-575-730	Improve other than Buildings	—	65,000	—	—	—	
100-575-741	Machinery	—	35,000	35,000	—	—	
100-575-742	Vehicles	—	—	—	36,250	36,250	Parks Truck 32,500; Proportionate share of Fleet Truck
<b>Total Services &amp; Supplies</b>		<b>442,349</b>	<b>696,150</b>	<b>633,809</b>	<b>622,800</b>	<b>622,800</b>	
<b>Total Expenditures</b>		<b>752,565</b>	<b>1,035,635</b>	<b>973,294</b>	<b>1,036,100</b>	<b>957,203</b>	

## Parks Facilities Fund

		2016-17	2017-18	2017-18	2018-19	2018-19
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019
		Actual	Budget	Actual Estimated	Tentative Budget	Final Budget
<b>Parks Facilities Fund Revenues</b>						
245-000-360-100	Interest Earnings	282	150	250	350	350
245-000-360-700	Park Rental Fees	12,630	10,000	13,000	25,000	25,000
245-000-360-710	Facility Rental Fees	1,593	1,000	2,500	2,500	2,500
<b>Total Revenues</b>		<b>14,505</b>	<b>11,150</b>	<b>15,750</b>	<b>27,850</b>	<b>27,850</b>
<b>Parks Facilities Fund Expenses</b>						
245-575-730	Improvements other than building	—	—	—	—	—
<b>Total Expenditures</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net Change in Fund Balance</b>		<b>14,505</b>	<b>11,150</b>	<b>15,750</b>	<b>27,850</b>	<b>27,850</b>
Beginning Fund Balance		79,324	82,066	93,829	109,579	109,579
Ending Fund Balance		93,829	93,216	109,579	137,429	137,429

\*\*Based on GASB 34, specific criteria is established for the designation of a special revenue fund. The RCT Fund does not meet that criteria, and is, therefore, accounted for in the City's General Fund.

## Residential Construction Tax Fund

### Mission Statement:

To collect residential construction fees and save them for future parks and improvements.

### Primary Responsibilities:

This primary responsibility of this fund is to collect revenues from residential developers to fund future parks projects or purchases.

No personnel are charged to this fund.

## RCT Revenues and Expenses

		2016-17	2017-18	2017-18	2018-19	2018-19
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019
		Actual	Budget	Actual Estimated	Tentative Budget	Final Budget
<b>Residential Construction Tax Fund Revenues</b>						
230-000-310-300	Residential Construction Tax	141,000	49,000	100,000	100,000.00	100,000.00
231-000-310-300	Residential Construction Tax	—	—	—	—	—
230-000-360-100	Interest Earnings	619	250	1,200	1,000.00	1,000.00
230-000-390-500	Transfers In	—	—	—	—	—
<b>Total Revenues</b>		<b>141,619</b>	<b>49,250</b>	<b>101,200</b>	<b>101,000</b>	<b>101,000</b>
<b>Residential Construction Tax Fund Expenses</b>						
230-575-600	Park Improvements	—	—	30,000	—	—
230-575-730	Improve other than Buildings	—	60,000	60,000	155,000	155,000
231-900-910	Transfers Out	—	—	—	—	—
<b>Total Expenditures</b>		<b>—</b>	<b>60,000</b>	<b>90,000</b>	<b>155,000</b>	<b>155,000</b>
<b>Net Change in Fund Balance</b>		<b>141,619</b>	<b>(10,750)</b>	<b>11,200</b>	<b>(54,000)</b>	<b>(54,000)</b>
Beginning Fund Balance		78,076	174,326	219,695	230,895	230,895
Ending Fund Balance		219,695	163,576	230,895	176,895	176,895

\*\*Based on GASB 34, specific criteria is established for the designation of a special revenue fund. The RCT Fund does not meet that criteria, and is, therefore, accounted for in the City's General Fund.



## *Fleet*

### **Mission Statement**

To provide municipal operation and maintenance services to maintain and enhance the City's Fleet.

### **Legal Requirements**

The Fleet Division follows the guidelines as outlined in the City of Fernley Fleet Management Policy adopted by City Council in August of 2015.

### **Primary Responsibilities**

City of Fernley Fleet Management Policy is a compilation of policies, procedures, and goals established with the intent of standardizing maintenance and operational controls and promoting efficient management and responsible fiscal accountability of all fleet assets under control of the City.

### **Overall change in level of services**

The Fleet Division costs are allocated in the general fund, water enterprise fund, and wastewater enterprise fund, therefore, a specific operational budget is not provided. Specific line items within each division are allocated for the fleet foreman to expense repairs and replacement of equipment. If equipment is shared, costs are allocated proportionally among the divisions affected. For this year, the Fleet Division is requesting a 1-ton pickup to provide support services to all divisions, allowing for small equipment pickup and delivery, heavy equipment parts transition, and general service duties.

The Fleet Division operates with 2 FTEs. The City's Fleet Policy was adopted in August of 2015. The City has 44 vehicles in service, ranging in age from 1999 - 2017. The average age of fleet vehicles is 2007 (11 years old). Currently, 87.5% of the vehicles meet the specifications for replacement.

While replacement of vehicles is a long-term process, the Fleet Foreman recommends disposal of the oldest vehicles, and recommends the purchase of three (3) vehicles including one for Animal Control, one for the Fleet Division, and one for the Parks Division.

## *Utilities*

### **Mission Statement**

To provide municipal operation and billing of the City's water and sewer enterprise funds in order to maintain and enhance quality of life.

### **Legal Requirements**

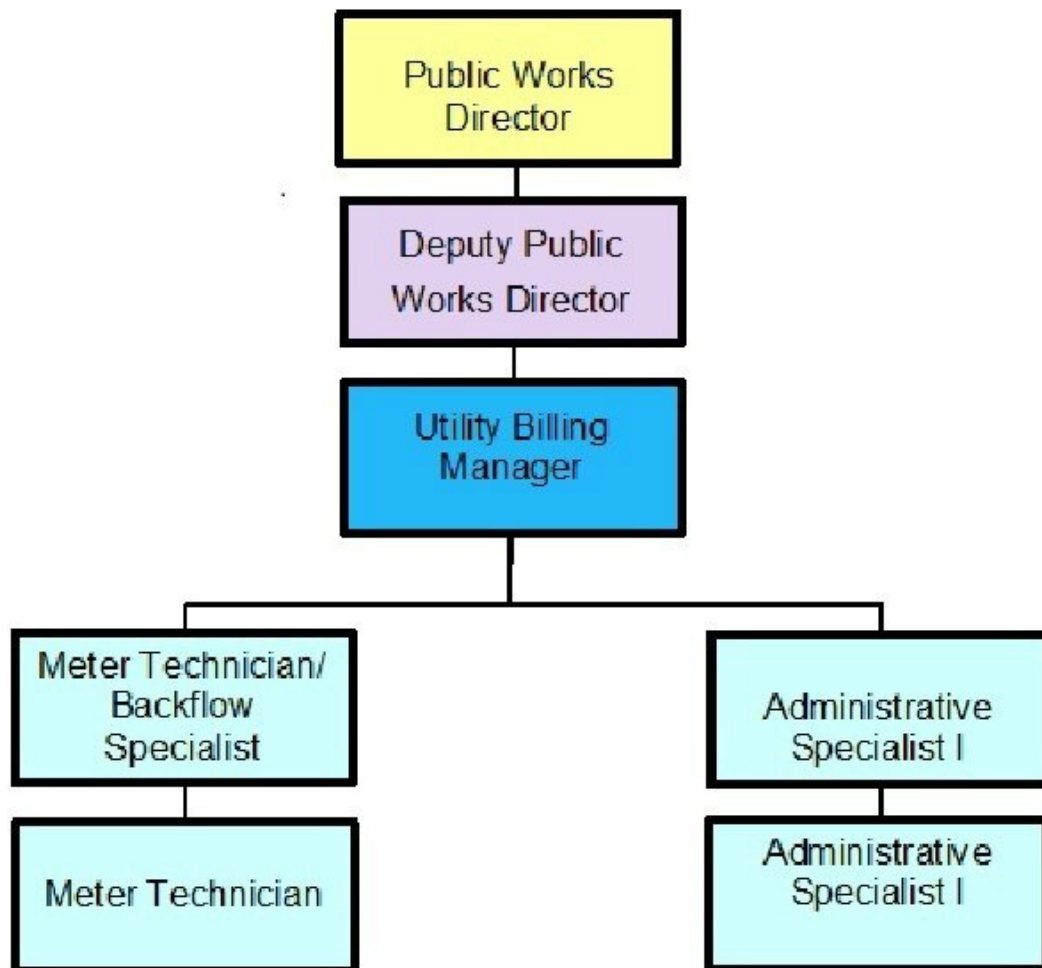
The operation billing of the City's water and sewer utility system is governed by NRS 354.

### **Primary Responsibilities**

The primary responsibilities of the utility department are to operate and bill for the water and sanitary sewer systems owned by the City. The includes monthly readings of meters, meter repair and replacement, assemblage of bills, sending of bills through the USPS, and overall customer service. This department is also responsible for citywide replacement of worn water meters and enforcement of backflow program, as well as other miscellaneous tasks.

The budget for the utility division is allocated within the Water and Wastewater Enterprise Funds, therefore a specific operational budget is not included. During FY 2018/2019 staff will be reviewing the staffing levels and begin developing a plan for the department, which will be presented in FY 2019/2020.

## Organizational Chart



## Section IV – Enterprise Funds

**Water and Sewer Use Fees**

The City of Fernley provides water and wastewater services to the residents and businesses of the City. The City's water system is currently supplied entirely by groundwater which is treated at the water treatment plant prior to entering the water distribution system. The City owns and operates raw water pipelines from 6 groundwater wells that supply the water treatment plant through major transmission piping systems. Treated water then is distributed from the water treatment plant to customers. In total the City maintains over 242 miles of pipe. In addition, the City has one non-potable water well, 3 pressure regulating valves, 4 potable water tanks, and 1 raw water tank. The water treatment plant has a capacity of 20.0 million gallons a day. Currently 3.5 million gallons are processed on average each day.

The City's wastewater system consists of a collection system of more than 106 miles of pipe. Raw sewage is pumped by approximately 224 residential mini lift stations, 9 large lift stations, and 23 large pumps to the wastewater treatment plant. Effluent is biologically treating at the 3.0 million gallons a day capacity treatment plant. Total flow at the treatment plant averages approximately 1.4 million gallons a day. Separate water and wastewater enterprise funds account for the revenues and expenses associated with each of these services.

During FY2017/2018, the City implemented water and sewer rate increases to ensure the long-term sustainability of the utility systems. This adjustment provided the necessary revenue to complete necessary capital expenses.

**Water Ancillary Fee (See Section VII: Debt Administration)**

City Council adopted a resolution for the water ancillary fee (previously referred to as the water bond debt fee). This fee will be collected as part of the Lyon County Property Tax Statement in an amount to the annual Water Enterprise Fund debt service payments (principal and interest).

To understand the differences in governmental accounting, the following definitions and explanations have been provided to explain depreciation, enterprise funds, and the cash flow statement.

### **Depreciation Defined (non-cash transaction)**

Depreciating an asset means allocating and then recovering its cost over its useful life. The useful life of an asset is the period over which a company intends to use the asset in operating activities. For example, if you purchased a truck for \$10K and use it for business purposes, and depreciate the truck over ten years, you would report \$1K per year in depreciation expense ( $10/10=1$ ) on the operating statement.

Charging revenues to cover this cost allows one to recover the actual cost of the original purchase over the life of the asset. Since the recording of depreciation expense is a non-cash transaction (there is no money going out), any revenues collected to cover this cost may be reserved. The City recovers the historical cost of the asset when revenues are enough to cover the depreciation expense. This is a mechanism for getting paid back for assets purchased in the past. A check is not written for depreciation, therefore revenues collected to cover the expense go back into the bank account.

### **Funded Depreciation**

FUNDED DEPRECIATION is a reserve set up to cover the replacement cost of those capital assets included on the depreciation schedule. Funded depreciation is a business practice that allows you to set aside every year an amount equal to the depreciation expense or a portion thereof. You would use this cash reserve to purchase a new fixed asset, such as a new truck, when the current one is no longer functional.

In the past, the City has not set up a “reserve.” However, revenues that cover depreciation expense go directly into the bank account and have been used however Council wishes. Council has not set a specific amount or a percentage of depreciation to reserve specifically for the replacement of capital assets.

### **Enterprise Funds**

A check is written for the purchase of an asset and the money comes out of the bank account. In enterprise funds, the cost of this asset is not included in the operating statement as an expense, only the depreciation is included. Therefore, enough revenues must be collected to cover the depreciation expense so to replenish the bank account for the assets.

### **Cash Flow Statement**

The cash flow statement reports the *cash* generated and used during the period and includes beginning and ending *cash* balances. It is separated into three (3) sections: Operating Activities: involves transactions that are associated with providing services to customers such as cash receipts from sales of services and cash payments to suppliers and employees.

Financing Activities: involves obtaining loans or bond funding and repaying amounts borrowed and the collection of fees and revenues to cover the cost of financing long-lived assets.

Investing Activities: generally, involves transactions associated with the acquisition and disposal of investments and other long-lived assets.

### **Operating Statement**

Reports the changes in net position (assets - liabilities) and ties back to the balance sheet, which reports all assets, liabilities, and equity. The operating statement includes all operating revenues and expenses (cash and non-cash). Eventually, if you are not covering your costs in the operating statement and you have debt to pay and capital assets you are purchasing, you will run out of money. Therefore, it is important to always cover operating costs.

## Water Enterprise Fund

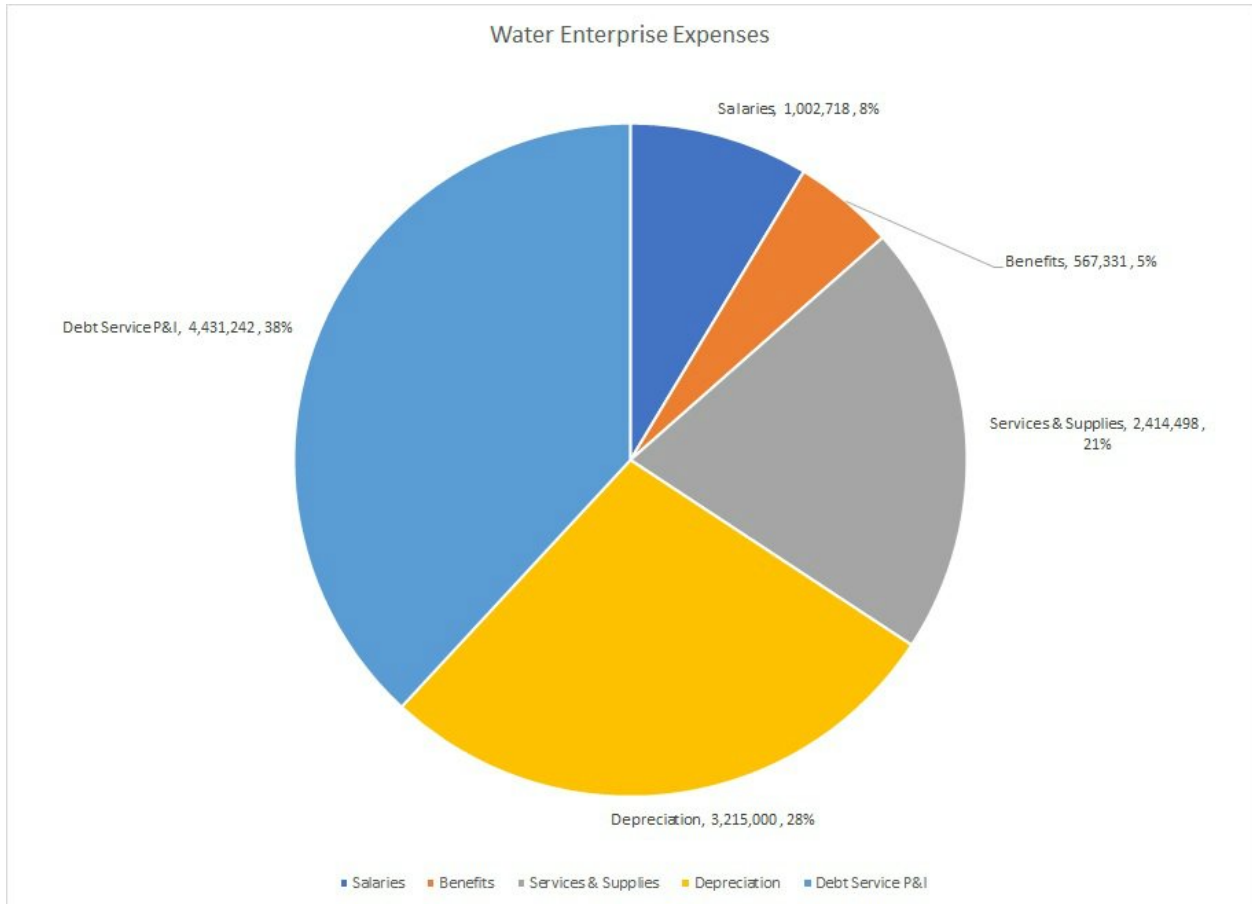
### Cash Flow

	(1)	(2)	(3)	
		ESTIMATED		
	ACTUAL PRIOR	CURRENT	TENTATIVE	FINAL
<b>PROPRIETARY FUND</b>	YEAR ENDING	YEAR ENDING	APPROVED	BUDGET
	6/30/2017	6/30/2018	6/30/2019	6/30/2019
<b>A. CASH FLOWS FROM OPERATING</b>				
ACTIVITIES:				
Cash received from customers, service fees	6,081,665	8,731,940	9,168,540	9,168,540
Cash received from customers, capacity fees and other	252,200	1,500,000	290,000	290,000
Cash paid to suppliers	(1,838,108)	(1,837,497)	(2,414,498)	(2,417,673)
Cash paid to employees	(1,415,294)	(1,451,459)	(1,573,423)	(1,576,796)
a. Net cash provided by (or used for)				
operating activities	3,080,463	6,942,984	5,470,619	5,464,071
<b>B. CASH FLOWS FROM NONCAPITAL</b>				
FINANCING ACTIVITIES:				
b. Net cash provided by (or used for)				
noncapital financing				
activities	—	—	—	—
<b>C. CASH FLOWS FROM CAPITAL AND</b>				
RELATED FINANCING ACTIVITIES:				
Connection Fees	555,821	400,500	516,500	516,500
Water Rights/Settlement Income	124,616	—	—	—
Cash Received From Bond Debt Fee	3,059,079	4,538,384	4,509,367	4,509,367
Debt Re-payment	(2,021,951)	(2,302,727)	(2,296,402)	(2,296,402)
Interest on Debt	(2,606,828)	(2,235,657)	(2,134,840)	(2,134,840)
Grant Revenue	56,657	—	—	—
Proceeds from capital asset disposals	—	—	—	—
Capital Outlay	(817,208)	(1,371,600)	(2,002,250)	(2,002,250)
Bond Issuance Costs	—	—	—	—
c. Net cash provided by (or used for)				—
capital and related				—
financing activities	(1,649,813)	(971,100)	(1,407,625)	(1,407,625)
<b>D. CASH FLOWS FROM INVESTING</b>				—
ACTIVITIES:				—
Interest on investments	39,506	50,000	40,000	40,000
d. Net cash provided by (or used in)				
investing activities	39,506	50,000	40,000	40,000
NET INCREASE (DECREASE) in cash and				—
cash equivalents (a+b+c+d)	1,470,156	6,021,884	4,102,994	4,096,446
CASH AND CASH EQUIVALENTS AT				—
JULY 1, 20xx	7,308,940	8,779,096	14,800,980	14,800,980
CASH AND CASH EQUIVALENTS AT				—
JUNE 30, 20xx	8,779,096	14,800,980	18,903,973	18,897,426
Reserved in lieu of fees		4,175,186	4,275,186	4,275,186
		10,625,794	14,628,787	14,622,240



## Water Summary

Water Summary		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
510-000-370-100	Water Sales	6,102,777	6,997,923	8,731,940	9,168,540	9,168,540	
510-000-370-300	Material and Labor Charges	67,957	12,000	—	—	—	
510-000-370-500	Ancillary Fee	3,029,839	4,538,384	4,538,384	4,509,367	4,509,367	Bond Principal and Interest
510-000-380-100	Interest Earnings	44,051	15,000	50,000	40,000	40,000	
510-000-380-400	Sale of Fixed Assets	—	—	—	—	—	
510-000-380-500	In Lieu of Water Rights	100,288	60,000	1,500,000	100,000	100,000	
510-000-380-502	Water Rights Lease	24,328	500	—	10,000	10,000	
510-000-380-900	Miscellaneous Revenue	184,242	130,000	—	180,000	180,000	Late fees, shut-off fees, etc.
510-000-395-910	Cust. Contrib.- Hookups/Connect	555,821	150,000	400,500	516,500	516,500	
510-000-395-930	Dev. Contrib.- Desert Lakes	56,657	—	—	—	—	
510-000-395-933	Capital Grant Contributions	50,447	—	—	—	—	
<b>Total Revenues</b>		<b>10,216,408</b>	<b>11,903,807</b>	<b>15,220,824</b>	<b>14,524,407</b>	<b>14,524,407</b>	
510-800-860	Interest Expense	2,310,103	2,235,657	2,235,657	2,134,840	2,134,840	
510-800-861	Bond Issuance Cost	443,402	—	—	—	—	
510-810-800	Depreciation	3,193,541	3,175,000	3,175,000	3,215,000	3,215,000	
Water Distribution Expenses		2,389,874	2,462,816	2,234,712	2,861,650	2,862,656	
Water Treatment Expenses		950,757	1,073,198	1,073,198	1,126,270	1,125,066	
<b>Total Expenses</b>		<b>9,287,677</b>	<b>8,946,671</b>	<b>8,718,567</b>	<b>9,337,760</b>	<b>9,337,562</b>	
<b>Increase (Decrease) in Net Position</b>		<b>928,731</b>	<b>2,957,136</b>	<b>6,502,257</b>	<b>5,186,647</b>	<b>5,186,845</b>	



## Water Distribution

### Mission Statement

Provide municipal operation and maintenance of the City's water distribution infrastructure to maintain and enhance quality of life.

### Legal Requirements

The operation and maintenance of the City's water distribution system is governed by the City's permit to operate a public water system from the Nevada Division of Environmental Protection (NDEP), Bureau of Safe Drinking Water. It must also comply with NRS 445 and NAC 445A for all work performed on the system and meet all requirements of the Federal EPA regulations for drinking water standards.

### Primary Responsibilities

The primary responsibilities of the Water Distribution division are to operate and maintain the water distribution system owned by the City. This includes:

- Monthly, quarterly, and annual laboratory sampling reporting.
- Meter reading, meter repair and replacement (Utility Department).
- Water utility billing
- Leak repairs, operations and maintenance of City wells, distribution pipes and storage tanks.
- Emergency power back-up maintenance
- Enforcement of backflow program, and other miscellaneous tasks.

### Overall change in level of service

The operating budget proposed for Water Distribution provides an increase of \$465 or a <1% increase over FY 17/18 (Calculated excluding depreciation). Increase includes funding for the completion of the water resource plan and a water master plan. City Council established in the City priorities that staff continue to complete necessary plans for the future.

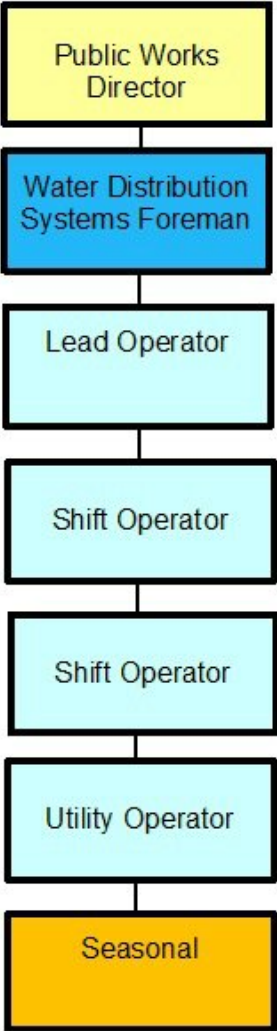
Water Distribution system requires approximately two to three more years of CIP improvements to the Metering System in order to replace failed/aging water meters throughout the city, which have potential to incur lost revenue. A capital outlay project of \$250,000 has been requested again this FY to provide enough meters for Utility Department staff to replace throughout the FY. Additional CIPs for the water distribution system include the EWWTP Potable Water Line Design and Construction, Fire Hydrant Replacements, Hardie Lane Water line Replacement, Sage Booster Pump Relocation PER (Bureau of Safe Drinking Water required), Pipe Bridge Rehabilitation, Peach Tank Demolition, Surface Water Conveyance Design, Water Plan Update. The department would like to budget for a single "seasonal" position instead of budgeting for part-time worker (contract workers through Manpower, or similar) to assist the distribution department in-house for the annual fire hydrant maintenance program. A seasonal employee can be "interviewed and selected" to augment our team, rather than simply supplied by a contract employer.

The hydrants in this city are connected directly into our potable drinking water supply and are of top priority to the water distribution department. The department continues to gather information from annual flow testing as well as the entire system of hydrants (1,200+) maintained/painted. The measurable goal for the water distribution department is to maintain full compliance with the Nevada Department of Environmental Protection-Bureau of Safe Drinking Water (NDEP-BSDW) permit for operation of the City's potable drinking water system.

**Change in number of positions from prior fiscal year to requested fiscal year**

None

Organizational Chart



## Goals and Objectives

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.				
Goal 1: Operate and maintain the City's Water Distribution System				
Objective 1	Maintain all State and Federal requirements and enhanced monitoring all facilities (SCADA)			
	Task 1	Track and monitor all compliance sampling, testing and reporting requirements for the City's Bureau of Safe Drinking Water (BSDW) Public Water System permit		
	Task 2	Refine SCADA controls in the system through redundant back up for software components		
	Task 3	Improve remote access capability for SCADA monitoring including enhanced system notifications		
Objective 2	Increase efficiency and expand maintenance of water distribution infrastructure			
	Task 1	Complete tri-annual tank inspections and cleaning		
	Task 2	Continue to implement valve exercising program		
	Task 3	Continue to maintain the fire hydrants and replace hydrants that are outdated/out of service		
Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.				
Goal 2: Increase the useful life and efficiency of the City's Water Distribution system				
Objective 1	Progress the City's migration to Flexnet meter system			
	Task 1	Identify meters and MXU's that are malfunctioning through Caselle reports		
	Task 2	Troubleshoot meters and MXU's in the field and replace them as needed with new equipment		
	Task 3	Use capital funding to purchase bulk quantities of meters and MXU's and install as needed		
Objective 2	Enhance cross connection control program and identify vulnerabilities			
	Task 1	Improve infrastructure tracking and data tracking of back flow devices		
	Task 2	Improve tracking on non-metered connections including fire services		
	Task 3	Continue to enforce the Fernley Municipal Code regarding cross connection		
Objective 3	Complete projects to repair existing infrastructure			
	Task 1	Complete interior recoat of Northeast Tank		
	Task 2	Complete work at Northeast Booster Pump station		
	Task 3	Complete Villa Park Master Meter project		
Performance Measure: Number of meters replaced				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
# of meters				

## Expenses

Water Distribution		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
510-810-100	Regular Pay	568,879	628,685	628,685	667,977	667,977	
510-810-120	Standby Pay	24,352	30,000	30,000	30,000	30,000	
510-810-130	Overtime Pay	32,252	20,150	20,150	20,150	20,150	
510-810-140	Annual Leave Pay	37,624	7,046	7,046	7,705	7,705	
510-810-150	Sick Leave Pay	22,593	—	—	—	—	
510-810-160	Holiday Pay	20,929	—	—	—	—	
510-810-200	Fica	—	—	—	825	825	
510-810-210	Medicare	9,733	9,945	9,945	10,317	10,317	
510-810-220	Unemployment	7,123	7,169	7,169	7,379	7,379	
510-810-230	Retirement (PERS)	155,689	173,771	173,771	184,794	184,794	
510-810-235	Pension Expense - GASB 68 Adj	(9,126)	—	—	—	—	
510-810-240	Group Insurance	138,482	164,645	164,645	173,605	173,605	
510-810-250	Workers Compensation Insurance	29,882	44,046	44,046	45,700	43,531	
510-810-260	Other Benefits	4,467	—	—	—	—	
510-810-270	OPEB Liability	14,020	15,908	15,908	19,900	19,900	
<b>Total Salaries and Benefits</b>		<b>1,056,898</b>	<b>1,101,365</b>	<b>1,101,365</b>	<b>1,168,352</b>	<b>1,166,183</b>	
510-810-320	Prof Serv-Engineering	191,039	7,500	—	302,500	302,500	Water Resource Plan completion 120,000; Mapoptix and Vueworks 7,500; Water Master Plan Update 175,000
510-810-322	Prof Serv-Other	66,215	30,000	30,000	30,000	30,000	
510-810-328	Prof Serv-Auditing	28,261	24,500	30,217	31,000	31,000	Audit expenses
510-810-340	Tech Services-Lab Analysis	—	—	—	—	—	
510-810-342	Tech Services-Other	—	1,500	1,500	1,500	1,500	Armored Services Utility
510-810-410	Utility Services-Water & Sewer	498	—	380	500	500	
510-810-412	Utility Service-Refuse	1,915	7,500	7,500	10,000	10,000	Large yard dumpsters for cottonwood and trash service 50% share with streets
510-810-420	Contract Services	9,215	—	156	—	—	
510-810-423	Contract Services-ANALYTICAL	11,510	11,000	11,000	12,500	12,500	Coliform \$6300/yr, chrome6 \$96/yr, UCMR3 \$260/yr, DBP
510-810-428	Contract Services-ELECTRICAL	2,771	7,500	7,500	7,500	7,500	System repairs/replacements
510-810-429	Contract Services-SCADA	9,245	12,000	12,000	11,000	11,000	Training \$2000, Licensing \$2000, Programming \$3000, Hardware \$5000, \$1000 for Well 9, 9A SCADA upgrade

Water Distribution		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
510-810-430	Repairs & Maintenance	86,753	110,000	—	135,000	135,000	
510-810-431	Repairs & Maintenance-Roads	8,114	8,000	8,000	10,000	10,000	Repairs for leaks in streets, road base and asphalt
510-810-432	Repairs & Maintenance-TCID	107,959	108,000	108,065	112,000	112,000	Operation and Maintenance fees for TCID water rights
510-810-441	Rental	980	1,500	3,000	3,000	6,175	Rental pumps/generators
510-810-444	Interfund Cost Alloc. Build	141,075	170,201	170,201	157,798	157,798	
510-810-520	Insurance	57,978	70,000	70,000	65,000	65,000	
510-810-530	Communications	1,922	3,000	3,000	3,000	3,000	Phones, air card for laptop, Internet for cottonwood shop
510-810-540	Advertising	1,201	1,000	1,000	1,000	1,000	Advertisements for job postings, project bidding, annual CCR
510-810-550	Printing and Postage	31,195	28,500	28,500	28,500	28,500	Utility billing, FedEx and USPS, 15% GIS printing/postage \$105
510-810-580	Training	3,398	5,000	6,578	7,500	7,500	CEU's: NVRWA conference \$250/day for 3=\$750, backflow tester \$1035, refresher \$880, backflow specialist \$800, repair workshop \$120, misc PDH's for engineers, 20% GIS travel and training = \$140 split with distribution=\$ 70
510-810-581	Dues and Memberships	931	2,000	2,000	2,000	2,000	USA membership \$270, State certs \$200, AWWA \$200, USC Backflow membership \$150, NvRWA \$235, NWRA \$300, ASCE \$150, APWA \$125510
510-810-585	Educational Assistance Program	127	500	500	500	500	
510-810-600	General Supplies	—	—	—	—	—	
510-810-601	Office Supplies	2,758	10,000	10,000	8,000	8,000	Copier paper \$1000, Ink Cartridges \$1000, Statements and Envelopes \$5000, General office \$1000, 15% GIS office supplies = \$15
510-810-605	Minor Equipment	13,757	15,000	15,000	15,000	15,000	Repair/Replace \$8000, Chem Pump \$950, Air tools \$500, Computer upgrades, power tools and equip



Water Distribution		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
510-810-610	Automotive Supplies	12,119	15,000	15,000	15,000	15,000	Increased maintenance for 7 trucks (aging fleet) and misc equip.
510-810-612	Supplies-Janitorial	318	1,500	1,500	1,500	1,500	Cottonwood shop cleaning supplies proportionate share
510-810-613	Supplies-Meter Service	(3,322)	25,000	25,000	34,000	34,000	Wells Booster/ Misc supplies for upgrades to well meters, Wells 9-9A meter service upgrade (\$4500 per meter)
510-810-614	Supplies-Plant/Shop/ Maint	20,878	28,000	28,000	28,000	28,000	Facility and distribution system operations: weed control \$1500, hydrant paint \$2000, hand tools \$1000, general supplies \$5000, (roofing brushes, hardware, repair parts, sampling equipment, screening) raw and potable CAV's \$3000, water pipe PE and C900 \$2000, bulk storage tank \$1500, sample station \$600, Couplings, risers adapters, PVC repair parts, building supplies \$1000 (locks, paint, OH door), repair fittings 4" and up \$4000
510-810-615	Supplies-Meter Installation	32,652	—	—	—	—	
510-810-616	Supplies-Safety	2,622	1,250	1,250	2,500	2,500	PPE, lab gloves, work gloves, hard hats, vests, lock out kits = \$500
510-810-617	Supplies-Chemical	3,685	5,000	5,000	5,000	5,000	Bulk sodium hypochlorite for well pumping facilities \$440 to fill one bulk tank 10 fills/year = \$4400
510-810-621	Natural Gas	2,791	2,000	2,000	2,500	2,500	Cottonwood shop heating proportionate share 50% water, 50% streets
510-810-622	Electricity	249,506	310,000	310,000	310,000	310,000	Cottonwood shop electricity, booster pump stations (2), wells (7), PRV stations (3), storage buildings (4)
510-810-623	Propane	—	500	500	500	500	Weed burning around facilities
510-810-625	Bulk Diesel	3,726	4,000	4,000	4,000	4,000	Cottonwood shop storage tank 25% proportionate share

Water Distribution		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
510-810-626	Gasoline	17,267	20,000	20,000	20,000	20,000	Fuel for service trucks (7) and misc equipment
510-810-640	Books and Periodicals	65	—	—	500	500	
510-810-642	Permits and Licenses	9,290	15,000	15,000	15,000	15,000	State BSDW, USA Locates, Hazmat, Water rights time extensions, Temp change applications
510-810-643	Property Taxes/ Assessments/Fees	—	—	—	—	—	
510-810-698	Water Rights Protection	202,562	300,000	180,000	300,000	300,000	Legal \$160,000; Water rights surveying (eng.) \$50,000; Permit fees \$50,000; Yearly upstream storage fee \$25,000; Contingency \$15,000
510-810-699	Miscellaneous	—	—	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>1,332,976</b>	<b>1,361,451</b>	<b>1,133,347</b>	<b>1,693,298</b>	<b>1,696,473</b>	
<b>Total Expenditures</b>		<b>2,389,874</b>	<b>2,462,816</b>	<b>2,234,712</b>	<b>2,861,650</b>	<b>2,862,656</b>	

## Water Treatment

### Mission Statement

Provide municipal operation and maintenance of the City's water treatment infrastructure to maintain and enhance quality of life.

### Legal Requirements

The operation and maintenance of the City's water treatment plant is governed by the City's permit to operate a public water system from the Nevada Division of Environmental Protection, Bureau of Safe Drinking Water. It must also comply with NRS 445 and NAC 445A for all work performed on the system and meet all requirements of the Federal EPA regulations for drinking water standards.

### Primary Responsibilities

The primary responsibilities of this department are to operate and maintain the water treatment plant owned by the City. This includes:

- Monthly, quarterly, and annual laboratory sampling reporting.
- Plant monitoring and operation, plant security, building and grounds maintenance.
- Maintenance of all pumps, tanks, flocculation and sedimentation ponds, microfiltration systems, emergency power, and other associated tasks.
- The department ensures that the citizens receive drinking water that meets or exceeds water quality requirements as set forth by the US EPA and the NDEP.

### Overall change in level of service

No significant increase or decrease in level of service has been requested. Two fiscal years ago the City Council requested a decrease in operators at the Water Treatment Plant from 4 to 3. The Utility Operator position has been left in the organizational chart, but is NOT FUNDED. A seasonal janitorial position has been carried over for this FY and is requested to be funded to assist plant operations. Council may consider opening up the unfunded operator position to begin to train additional operations staff as the plant may be receiving surface water in the next five years. Processing surface water will require additional trained and certified staff.

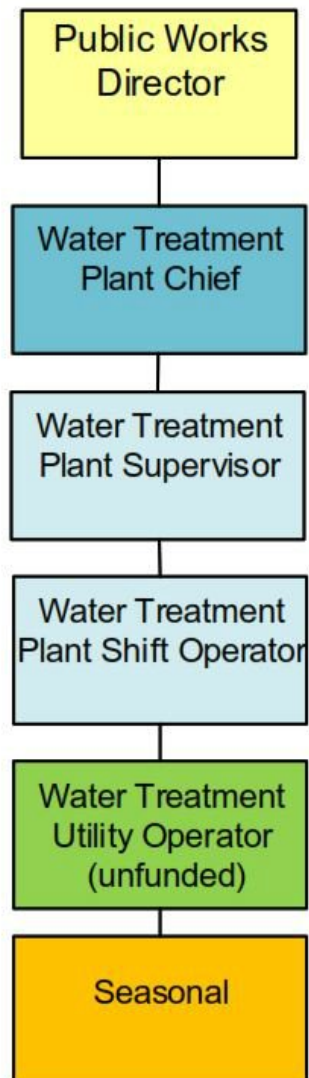
In FY 2018/19 Public Works is proposing a slurry seal treatment to the facility parking lots and loading zones to help preserve the pavement condition within the Water Treatment Plant property. This CIP would be best included in the General Fund Pavement Management Plan as the cost to mobilize is a significant expense for a project of this nature and could be included with a city-wide slurry seal project at a cost savings.

The measurable goal for the Water Treatment Department is to continue compliance with the City's Permit to produce potable water from the Nevada Division of Environmental Protection under US EPA Standards.

**Change in number of positions from prior fiscal year to requested fiscal year**

None.

## Organizational Chart



## Goals and Objectives

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.				
Goal 1: Operate and maintain the Water Treatment Plant effectively and efficiently				
Objective 1	Maintain all State and Federal requirements and enhanced monitoring of the water treatment plant			
	Task 1	Track and monitor all compliance sampling, testing and reporting requirements for the City's Bureau of Safe Drinking Water (BSDW) Public Water System Permit including participation in US EPA's UCMR3 program		
	Task 2	Improve SCADA controls in the system through redundant back up for software components		
	Task 3	Improve remote access capability for SCADA monitoring including enhanced system notifications		
Objective 2	Increase efficiency of the Water Treatment Plant through further implementation of VueWorks (Asset Management)			
	Task 1	Convert all existing data of equipment and asset history into VueWorks		
	Task 2	Enhance existing inventory control and implement into VueWorks		
	Task 3	Utilize VueWorks data to better plan for future maintenance needs		
Performance Measure: Percentage of assets entered into VueWorks				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
% of assets				
Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.				
Goal 2: Ensure fiscal responsibility for future maintenance of the Water Treatment Plan				
Objective 1	Continue to monitor facility for increased efficiencies			
	Task 1	Continue to increase efficiency of chemical and electrical consumption		
	Task 2	Monitor and track the integrity of facility buildings		
	Task 3	Begin surface water treatment options		
Objective 2	Budgeting for the replacement of critical plant infrastructure			
	Task 1	Track infrastructure that is due for replacement		
	Task 2	Update the Capital Improvement Plan		
	Task 3	Continue considering additional funding sources for future rehabilitation projects		
Strategic Goal: The City of Fernley must strive to maintain and improve overall fiscal integrity, stability, and equality of the City's financial planning.				
Goal 3: Reduce fiscal responsibility for future operation of the Water Treatment Plan				
Objective	Evaluate options for residual solids removal to reduce expense on operating budget			
	Task 1	Continued investigation and planning for onsite solids dewatering, possibly in conjunction with surface water improvements		
	Task 2	Continue to investigate solids off-hauling options for better control of location and price		
	Task 3	Investigate and obtain additional funding sources for future plant rehabilitation projects		

## Expenses

Water Treatment		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
510-840-100	Regular Pay	195,945	213,600	213,600	223,329	223,329	
510-840-120	Standby Pay	26,597	18,750	18,750	26,500	26,500	
510-840-130	Overtime Pay	24,425	17,550	17,550	26,550	26,550	
510-840-140	Annual Leave Pay	17,722	385	385	507	507	
510-840-150	Sick Leave Pay	3,936	—	—	—	—	
510-840-160	Holiday Pay	8,943	—	—	—	—	
510-840-200	FICA	350	825	825	825	825	
510-840-210	Medicare	3,964	3,502	3,502	3,885	3,885	
510-840-220	Unemployment	2,287	2,394	2,394	2,452	2,452	
510-840-230	Retirement (PERS)	44,291	56,509	56,509	59,181	59,181	
510-840-235	Pension Expense - GASB 68 Adj	(3,144)	—	—	—	—	
510-840-240	Group Insurance	29,392	33,899	33,899	35,330	35,330	
510-840-250	Workers Compensation Insurance	10,626	18,588	18,588	20,511	19,307	
510-840-260	Other Benefits	2,988	—	—	—	—	
510-840-270	OPEB Liability	2,503	3,046	3,046	6,000	6,000	
<b>Total Salaries and Benefits</b>		<b>370,823</b>	<b>369,048</b>	<b>369,048</b>	<b>405,070</b>	<b>403,866</b>	
510-840-320	Prof Serv-Engineering	2,652	7,500	7,500	7,500	7,500	20% Mapoptix and Viewworks split between distribution and treatment
510-840-322	Prof Serv-Other	87	—	—	—	—	
510-840-342	Tech Services-Other	—	—	—	—	—	
510-840-412	Utility Service-Refuse	148	150	150	200	200	Trash pickup
510-840-420	Contract Services	9,886	11,000	11,000	11,000	11,000	Ameripride rugs rags, and coveralls \$1250, Fire systems annual \$2000, Generator annual \$3000, 3rd Party Hach Calibration/ Hach instruments maintenance partnership \$4,000
510-840-423	Contract Services-ANALYTICAL	1,836.00	4,000	4,000	6,000	6,000	Additional USEPA UCMR4 Requirements, FY15/16 compliance, local and solids sampling
510-840-424	Contract Services-HVAC	—	3,000	3,000	3,000	3,000	HVAC coolers servicing
510-840-426	Contract Svc-Residuals Dispose	162,503	170,000	170,000	180,000	180,000	Plant residuals solids, loading, transport and dumping
510-840-428	Contract Svc-Electrical & Cont	2,479.46	5,000	5,000	10,000	10,000	Filtration troubleshoot, Electrical and controls equipment troubleshooting, component replacement labor on motors, VFD's, switch gear, TVSS, etc

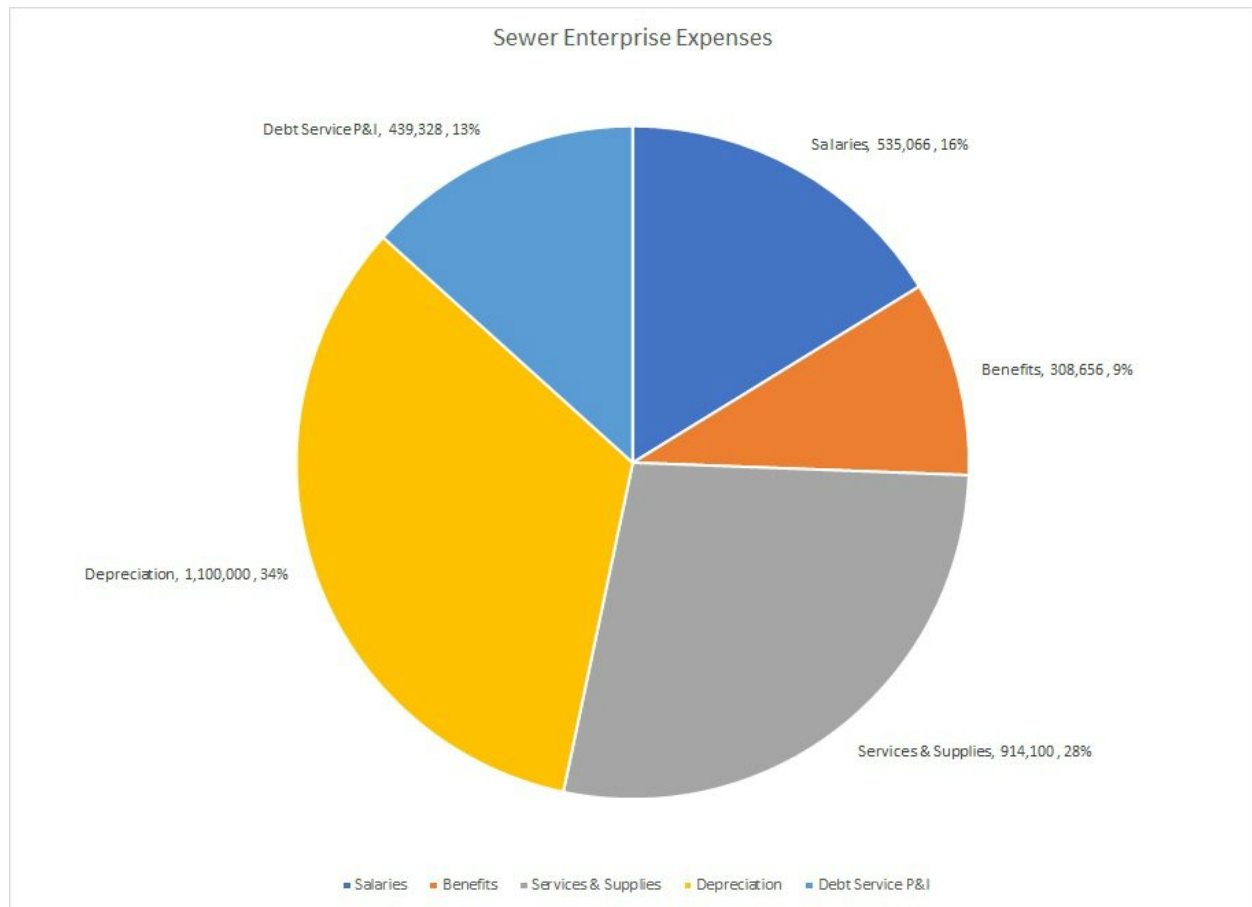
Water Treatment		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
510-840-429	Contract Services-SCADA	—	5,000	5,000	5,000	5,000	Process control system (PCS) modifications and adjustments, PLC's, radios, Router, Servers, HMI's, etc
510-840-430	Service-Repair and Maintenance	57,014	63,000	63,000	63,000	63,000	Vertical turbine pumps motor \$6000, Sky crane VTP motor ...
510-840-520	Insurance	59,683	66,500	66,500	66,500	66,500	
510-840-530	Communications	1,916	13,500	13,500	13,500	13,500	3 phones for operators, aircard for laptop, Internet
510-840-540	Advertising	172	500	500	500	500	
510-840-550	Printing and Postage	31	1,000	1,000	1,000	1,000	
510-840-580	Training	778.10	2,000	2,000	2,000	2,000	
510-840-581	Dues and Memberships	346.00	500	500	500	500	State certs \$200, AWWA \$200, NvRWA, ASCE, APWA
510-840-585	Educational Assistance Program	—	500	500	500	500	
510-840-601	Office Supplies	509	1,000	1,000	1,000	1,000	
510-840-605	Minor Equipment	3,821	3,000	3,000	3,000	3,000	
510-840-610	Automotive Supplies	3,255	2,000	2,000	2,000	2,000	
510-840-614	Plant/Shop/ Maint. Supplies	6,996	7,500	7,500	7,500	7,500	
510-840-616	Safety Supplies	19	500	500	500	500	
510-840-617	Chemicals	84,088	99,000	99,000	99,000	99,000	
510-840-621	Natural Gas	16,610	20,000	20,000	20,000	20,000	
510-840-622	Electricity	161,494	210,000	210,000	210,000	210,000	
510-840-625	Bulk Diesel	—	2,500	2,500	2,500	2,500	
510-840-626	Gasoline	223	1,000	1,000	1,000	1,000	
510-840-640	Books and Periodicals	—	500	500	500	500	
510-840-642	Permits and Licenses	3,386	4,000	4,000	4,000	4,000	
<b>Total Services &amp; Supplies</b>		<b>579,934</b>	<b>704,150</b>	<b>704,150</b>	<b>721,200</b>	<b>721,200</b>	
<b>Total Expenditures</b>		<b>950,757</b>	<b>1,073,198</b>	<b>1,073,198</b>	<b>1,126,270</b>	<b>1,125,066</b>	

## Wastewater Enterprise Fund

	(1)	(2)	(3)	
		ESTIMATED		
	ACTUAL PRIOR	CURRENT	TENTATIVE	FINAL
<b><u>PROPRIETARY FUND</u></b>	YEAR ENDING	YEAR ENDING	APPROVED	BUDGET
	6/30/2017	6/30/2018	6/30/2019	6/30/2019
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers, service fees	2,340,726	3,804,220	3,994,400	3,994,400
Cash received from customers, capacity fees and other	5,854	50,000	—	—
Cash paid to suppliers	(982,989)	(706,183)	(914,100)	(917,175)
Cash paid to employees	(711,224)	(746,099)	(845,620)	(847,518)
a. Net cash provided by (or used for) operating activities	652,367	2,401,938	2,234,680	2,229,707
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
b. Net cash provided by (or used for) noncapital financing activities	—	—	—	—
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Connection Fees	418,018	280,900	347,400	347,400
Debt Re-payment	(65,389)	(110,839)	(275,916)	(275,916)
Interest on Debt	(220,489)	(169,000)	(163,412)	(163,412)
Proceeds from capital asset disposals	83,503	—	—	—
Capital Outlay	(1,136,639)	(667,500)	(307,250)	(307,250)
Bond Issuance Costs	—	—	—	—
c. Net cash provided by (or used for) capital and related financing activities	(916,560)	(666,439)	(399,178)	(399,178)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	40,526	50,000	40,000	40,000
d. Net cash provided by (or used in) investing activities	40,526	50,000	40,000	40,000
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(223,667)	1,785,499	1,875,502	1,870,529
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	8,752,300	8,528,633	10,314,132	10,314,132
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	8,528,633	10,314,132	12,189,633	12,184,661



Sewer Summary		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
520-000-370-100	Sewer Services	2,396,668	3,400,000	3,804,220	3,994,400	3,994,400	
520-000-370-300	Materials & Labor	854					
520-000-380-900	Misc. Revenue	5,000					
520-000-380-100	Interest Earnings	43,731	15,000	50,000	40,000		
520-000-380-400	Disposition of Capital Assets	—	200	—	—		
520-000-380-900	Miscellaneous Revenue	—	—	—	—	40,000	
520-000-395-910	Cust. Contrib.-Hookups/Connect	418,018	100,000	280,900	347,400	—	
520-000-395-930	Dev. Contrib.-Desert Lakes	—	—	—	—	—	
520-000-395-933	East Plnt Lift Station	795,435	—	—	—	347,400	
520-000-395-940	Developer Cont.-Infrastructure	—	—	—	—	—	
<b>Total Revenues</b>		<b>3,659,706</b>	<b>3,515,200</b>	<b>4,135,120</b>	<b>4,381,800</b>	<b>4,381,800</b>	
520-800-860	Interest Expense	197,269	165,200	169,000	163,412	163,412	
520-800-861	Bond Issuance Cost	52,906	—	—	—	—	
520-810-800	Depreciation	1,023,540	1,000,000	1,050,000	1,100,000	1,100,000	
Sewer Expenses		1,447,885	1,572,710	1,461,239	1,759,719	1,760,996	
<b>Total Expenses</b>		<b>2,721,599</b>	<b>2,737,910</b>	<b>2,680,239</b>	<b>3,023,131</b>	<b>3,024,408</b>	
<b>Increase (Decrease) in Net Position</b>		<b>938,107</b>	<b>777,290</b>	<b>1,454,881</b>	<b>1,358,669</b>	<b>1,357,392</b>	



## Wastewater Treatment

### Mission Statement

Provide municipal operation and maintenance of the City's wastewater collection and treatment infrastructure to maintain and enhance quality of life.

### Legal Requirements

The operation and maintenance of the City's wastewater treatment system is governed by the City's Authorization to Discharge from the Nevada Division of Environmental Protection. It must also comply with NRS 445 and NAC 445A for all work performed on the system and meet all requirements of the Federal EPA regulations.

### Primary Responsibilities

The primary responsibilities of this department are to operate and maintain the wastewater collection system and wastewater treatment plant owned by the City. This includes:

- Monthly, quarterly, and annual laboratory sampling reporting.
- Leak repairs, maintenance of all lift stations, manholes, collection lines.
- Emergency power backup maintenance.
- Plant monitoring and operation, plant security, building and grounds maintenance.

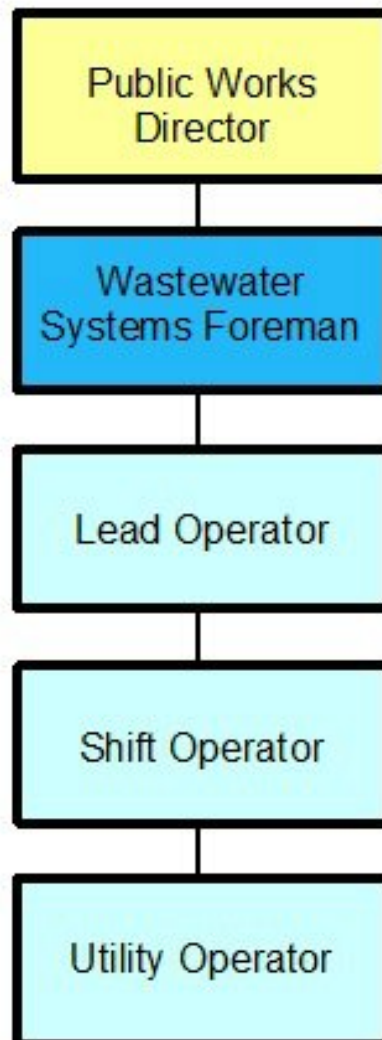
### Overall change in level of service

The operating budget proposed for Wastewater Treatment is approximately the same as the FY 2017/2018. The E-One Repair and Maintenance line item will remain in the budget again as the department continues to purchase new units to replace older models that are no longer in production. Capital Improvement Projects (CIP) planned includes Hardie Lane Sewer Line Design and Construction, West Cedar Street and West Street Lateral Replacement, East Lift Station Chain Replacement, Sewer Master Plan Update, Villa Way, Parkland, and Randon Ct Sewer Main Replacement, West Street Lateral Reconstruction, East Lift Station Cutter Heads and Brushes, and Farm District Road Lift Station PER and final design. These CIP projects reflect the projects identified in the Rate Study, as well as failing or failed components discovered within the last FY. The CIPs identified are imperative to the operation of the system and need to be funded as soon as possible. The measurable goal for the Wastewater Department is to continue full compliance with the City's Permit to Discharge from the Nevada Division of Environmental Protection.

### Change in number of positions:

None. The Public Works Department would like to reestablish the organizational chart to include the Lead Operator, the Shift operator and the utility operator. Two positions are currently under-filled. The budget for the positions should be adjusted in Position Control.

## Organizational Chart



## Goals and Objectives

Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.				
Goal 1: Operate and maintain the Wastewater Collection System and Treatment Plant effectively				
Objective 1	Maintain all state and federal requirements and enhanced monitoring of the wastewater treatment plant			
	Task 1	Track and monitor all compliance sampling, testing and reporting requirements for the City's Nevada Department of Environmental Protection Discharge permit		
	Task 2	Make improvements to the plant to satisfy NDEP Administrative Order		
Objective 2	Asset Management of the wastewater collection of treatment system through further implementation of VueWorks			
	Task 1	Continue to implement work order system and complete work orders for E-One, lift station, and wastewater treatment plant repairs and maintenance.		
	Task 2	Utilize VueWorks data (Asset Management) to better plan and budget for future maintenance needs.		
Performance Measure: Number of work orders completed through VueWorks				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
# of work orders				
Strategic Goal: To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.				
Goal 2: Increase the useful life and efficiency of the City's wastewater collection system				
Objective 1	Continue to develop capital improvement program for the collection system			
	Task 1	Continue in-house inspection and cleaning program		
	Task 2	Identify projects and schedule for repair, replacement, or rehabilitation		
	Task 3	Establish scope of work and schedule project into capital improvement plan		

## Expenses

Sewer		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
520-810-100	Regular Pay	411,619	422,588	422,588	482,601	482,601	
520-810-120	Standby Pay	27,756	30,000	30,000	30,000	30,000	
520-810-130	Overtime Pay	22,952	20,150	20,150	20,150	20,150	
520-810-140	Annual Leave Pay	20,180	1,636	1,636	2,315	2,315	
520-810-150	Sick Leave Pay	10,590	—	—	—	—	
520-810-160	Holiday Pay	14,384	—	—	—	—	
520-810-210	Medicare	7,093	6,434	6,434	7,305	7,305	
520-810-220	Unemployment	5,095	5,126	5,126	5,424	5,424	
520-810-230	Retirement (PERS)	94,344	119,381	119,381	136,335	136,335	
520-810-235	Pension Expense - GASB 68 Adj	12,194	—	—	—	—	
520-810-240	Group Insurance	79,932	111,934	111,934	119,894	119,894	
520-810-250	Workers Compensation Insurance	20,406	28,850	28,850	32,296	30,398	
520-810-260	Other Benefits	4,595	—	—	—	—	
520-810-270	OPEB Liability	7,722	8,957	8,957	9,300	9,300	
<b>Total Salaries &amp; Benefits</b>		<b>738,861</b>	<b>755,056</b>	<b>755,056</b>	<b>845,619</b>	<b>843,721</b>	
520-810-320	Prof Serv-Engineering	15,316	7,500	—	157,500	157,500	Mapoptix and Viewworks software fee 7,500; Sewer Master Plan Update 150,000
520-810-322	Prof Serv-Other	52,933	60,000	6,000	—	—	
520-810-328	Prof Serv-Auditing	7,664	8,000	8,029	8,500	8,500	Audit expenses
520-810-342	Tech Services-Other	—	1,500	1,500	1,500	1,500	Armored Services Utility
520-810-410	Utility Services-Water & Sewer	607	—	—	—	—	
520-810-412	Utility Service-Refuse	3,196	2,200	2,200	3,000	3,000	Large dumpster for EWWTP and medium dumpster for highway 50 lift station
520-810-423	Contract Services-ANALYTICAL	11,139	15,000	15,000	17,500	17,500	Annual priority pollutants sampling, monthly BOD, CL2, TSS,
520-810-426	Contract-Sewer Cleaning & Insp	4,612	5,000	5,000	5,000	5,000	Emergency callouts
520-810-428	Contract Services-ELECTRICAL	1,378	10,000	10,000	10,000	10,000	Emergency callouts
520-810-429	Contract Services-SCADA	9,464	12,500	12,500	12,500	12,500	Licensing, Programming, Hardware
520-810-430	Service-Repair and Maintenance	87,909	50,000	—	45,000	45,000	Pump/motor rehab, facility fence repairs, pump oil, ump replacements \$5000 to \$25,000; East Lift Station Grit Chamber Chain Replacement
520-810-441	Rental	4,253	10,000	10,000	7,500	10,675	
520-810-444	Interfund Cost Alloc. Build	100,599	120,804	120,804	110,950	110,950	

Sewer		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
520-810-520	Insurance	32,399	91,000	91,000	91,000	91,000	
520-810-530	Communications	6,403	6,000	6,000	6,000	6,000	
520-810-540	Advertising	790	500	500	500	500	
520-810-550	Printing and Postage	30,617	28,500	28,500	28,500	28,500	
520-810-580	Training	1,276	2,500	2,500	2,500	2,500	
520-810-581	Dues and Memberships	432	500	500	1,000	1,000	
520-810-585	Educational Assistance Program	127	500	500	500	500	
520-810-600	General Supplies	—	5,000	5,000	5,000	5,000	
520-810-601	Office Supplies	3,655	6,000	6,000	4,000	4,000	
520-810-605	Minor Equipment	9,065	15,000	15,000	15,000	15,000	
520-810-610	Supplies-Automotive	12,351	15,000	15,000	15,000	15,000	
520-810-614	Supplies-Plant/Shop/Maint	30,010	20,000	20,000	20,000	20,000	
520-810-615	E-One R & M	89,763	85,000	85,000	95,000	95,000	E-One units \$2,700 each
520-810-616	Supplies-Safety	3,440	1,000	1,000	5,000	5,000	
520-810-617	Supplies-Chemical	11,946	12,000	12,000	12,000	12,000	
520-810-621	Natural Gas	367	400	400	400	400	
520-810-622	Electricity	161,106	200,000	200,000	200,000	200,000	9 lift stations, wastewater plant, buildings
520-810-623	Propane	—	500	500	500	500	
520-810-625	Bulk Diesel	3,726	4,000	4,000	5,000	5,000	
520-810-626	Gasoline	10,810	12,500	12,500	12,500	12,500	
520-810-640	Books and Periodicals	356	750	750	750	750	
520-810-642	Permits and Licenses	995	8,500	8,500	15,000	15,000	
520-810-643	Property Taxes/Assessmnts/Fees	—	—	—	—	—	
520-810-699	Miscellaneous	319	—	—	—	—	
520-810-730	IMPROVEMENTS OTHER THAN BLDGS	—	—	—	—	—	
<b>Total Services &amp; Supplies</b>		<b>709,024</b>	<b>817,654</b>	<b>706,183</b>	<b>914,100</b>	<b>917,275</b>	
<b>Total Expenditures</b>		<b>1,447,885</b>	<b>1,572,710</b>	<b>1,461,239</b>	<b>1,759,719</b>	<b>1,760,996</b>	

## Stormwater Enterprise Fund

	(1)	(2)	(3)	
		ESTIMATED		
	ACTUAL PRIOR	CURRENT	TENTATIVE	FINAL
<b>PROPRIETARY FUND</b>	YEAR ENDING	YEAR ENDING	APPROVED	APPROVED
	6/30/2017	6/30/2018	6/30/2019	6/30/2019
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers, service fees	—	—	50,000	50,000
Cash received from customers, capacity fees and other	—	—	—	—
Cash paid to suppliers	—	—	(50,000)	(50,000)
Cash paid to employees	—	—	—	—
a. Net cash provided by (or used for) operating activities	—	—	—	—
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	—	—	—	
b. Net cash provided by (or used for) noncapital financing activities	—	—	—	—
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Connection Fees	—	—	—	—
Debt Re-payment	—	—	—	—
Interest on Debt	—	—	—	—
Proceeds from capital asset disposals	—	—	—	—
Capital Outlay	—	—	—	—
Bond Issuance Costs	—	—	—	—
c. Net cash provided by (or used for) capital and related financing activities	—	—	—	—
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	—	—	—	—
d. Net cash provided by (or used in) investing activities	—	—	—	—
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	—	—	—	—
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	—	—	—	—
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	—	—	—	—



<b>Stormwater Enterprise Summary</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2018-19</b>	
	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2019</b>	
<b>Account Title</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual Estimated</b>	<b>Tentative Budget</b>	<b>Final Budget</b>	<b>Comments</b>
Stormwater Services	—	—	—	50,000	50,000	
Interest Earnings	—	—	—	—	—	
Disposition of Capital Assets	—	—	—	—	—	
Miscellaneous Revenue	—	—	—	—	—	
<b>Total Revenues</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>50,000</b>	<b>50,000</b>	
Stormwater Expenses	—	—	—	50,000	50,000	
<b>Total Expenses</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>50,000</b>	<b>50,000</b>	
<b>Increase (Decrease in Net Position</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

Stormwater		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
520-810-100	Regular Pay	—	—	—	—	—	
520-810-120	Standby Pay	—	—	—	—	—	
520-810-130	Overtime Pay	—	—	—	—	—	
520-810-140	Annual Leave Pay	—	—	—	—	—	
520-810-150	Sick Leave Pay	—	—	—	—	—	
520-810-160	Holiday Pay	—	—	—	—	—	
520-810-210	Medicare	—	—	—	—	—	
520-810-220	Unemployment	—	—	—	—	—	
520-810-230	Retirement (PERS)	—	—	—	—	—	
520-810-235	Pension Expense - GASB 68 Adj	—	—	—	—	—	
520-810-240	Group Insurance	—	—	—	—	—	
520-810-250	Workers Compensation Insurance	—	—	—	—	—	
520-810-260	Other Benefits	—	—	—	—	—	
520-810-270	OPEB Liability	—	—	—	—	—	
<b>Total Salaries &amp; Benefits</b>		—	—	—	—	—	
520-810-320	Prof Serv-Engineering	—	—	—	—	—	
520-810-322	Prof Serv-Other	—	—	—	—	—	
520-810-423	Contract Services-ANALYTICAL	—	—	—	—	—	
520-810-426	Contract-Sewer Cleaning & Insp	—	—	—	—	—	
520-810-428	Contract Services-ELECTRICAL	—	—	—	50,000	50,000	
520-810-430	Service-Repair and Maintenance	—	—	—	—	—	
520-810-441	Rental	—	—	—	—	—	
520-810-600	General Supplies	—	—	—	—	—	
520-810-601	Office Supplies	—	—	—	—	—	
520-810-605	Minor Equipment	—	—	—	—	—	
520-810-623	Propane	—	—	—	—	—	
520-810-625	Bulk Diesel	—	—	—	—	—	
520-810-626	Gasoline	—	—	—	—	—	
520-810-699	Miscellaneous	—	—	—	—	—	
<b>Total Services &amp; Supplies</b>		—	—	—	50,000	50,000	
<b>Total Expenditures</b>		—	—	—	50,000	50,000	

## Section V – Special Revenue Funds

## Grants Fund

Grant funds received by the City of Fernley support important programs, services, and infrastructure that may not be sought simply because money is available. Rather, departments should identify funding priorities and seek grants for programs, services, and projects that help advance department, community, and Council priorities and goals.

### Miscellaneous

- \$100,000 - Land and Water Conservation Fund (Walking trails, lighting, and shade improvements for Green Valley and In-Town Parks)
- \$80,000 - CDBG Community Center, Phase 3 Community Center Design, and Outreach)
- \$218,625 - Phase 3 CDBG Downtown Revitalization)

\*Presentations to CDBG on April 24.

Grants		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
220-000-330-131	Depot Community Center Phase 1	7,351	60,000		60,000	60,000	
220-000-330-132	Depot Community Center Phase 2	—	250,907		300,907	300,907	
220-000-330-xxx	Depot Community Center Phase 3	—	50,000		—	—	
220-000-330-101	Grant #R09AP20010	—	—	—	—	—	
220-000-330-108	Safe Routes to School	21,625	—	1,645	732,076	732,076	
220-000-330-109	Main St. Corridor CDBG	194,092	—	45,000	—	—	
220-000-330-116	GRANT #R12AP20013 TROA COMPLET	278,009	—	—	—	—	
220-000-330-117	Rural Continuum of Care	—	—	—	—	—	
220-000-330-119	TAP - Hardie Lane	—	729,500	—	—	—	
220-000-330-129	WNDD Revolving Loan	—	—	—	—	—	
220-000-330-191	Grant R09AP20010 Admin Fee	—	—	—	—	—	
220-000-330-193	SBDC Business Counseling	65,699	87,075	2,620	87,075	87,075	*Ends 06/30/18
220-000-360-900	Miscellaneous Revenue	—	—	—	398,625	398,625	
	<b>Total Revenues</b>	<b>566,776</b>	<b>1,177,482</b>	<b>49,265</b>	<b>1,578,683</b>	<b>1,578,683</b>	
220-480-679	Depot Community Center Phase 1	7,351	60,000		60,000	60,000	
220-480-680	Depot Community Center Phase 2	—	250,907		300,907	300,907	
220-480-xxx	Depot Community Center Phase 3	—	50,000		—	—	
220-480-644	WNDD Revolving Loan	—	—	—	—	—	
220-480-649	Grant R09AP20010 Expenditures	—	—	—	—	—	
220-480-658	Safe Route to Schools	21,625	—	1,645	732,076	732,076	
220-480-660	Main St Corridor CDBG	194,092	—	45,000	—	—	
220-480-664	GRANT #R12AP20013 TROA COMPLET	278,009	—	—	—	—	
220-480-665	Rural NV Continuum of Care	—	—	—	—	—	
220-480-676	SBDC Business Counseling	65,699	87,075	2,620	87,075	87,075	*Ends 06/30/18
220-480-678	TAP - Hardie Lane	—	729,500	—	—	—	
220-480-698	Misc Expenditure	—	—	—	398,625	398,625	
220-900-910	Transfers Out	—	—	—	—	—	
	<b>Total Expenses</b>	<b>566,776</b>	<b>1,177,482</b>	<b>49,265</b>	<b>1,578,683</b>	<b>1,578,683</b>	
<b>Net Change in Fund Balance</b>		—	—	—	—	—	
Beginning Fund Balance		10	10	10	10	10	
Ending Fund Balance		10	10	10	10	10	

## Transient Lodging Tax

Fernley Municipal Code (FMC) 4.02.16 provides for the allocation and use of Transient Lodging Tax (TLT) Funds. The City of Fernley Convention and Tourism Authority (FCTA) provides oversight for the disbursement of funds collected by the City of Fernley.

FCTA budget requirements, outlined in FMC 2.04.05 state the following:

- The programs and operating expenses shall be funded from a Special Revenue Fund generated by the Transient Lodging Tax, grants, donations, and admission charges. The City Manager's office shall be responsible for submitting the annual operating budget to the Mayor and Council.
- Disbursement of funds to outside agencies shall not exceed fifty percent (50%) of the revenue generated by the TLT.
- At least fifty percent (50%) of the funds generated by the TLT will be used for the construction, operation, and maintenance of the City of Fernley Convention/Civic Center.
- FMC 2.04.03(C) defines the allowable uses for the requests for funds from the City council sitting as the City of Fernley Convention and Tourism Authority Board by outside agencies.

FCTA will provide two rounds of grant funding opportunities during FY18/19. Equal amounts of funding are provided for each round. Funding has been set aside for the Annual Fire Works as well as City projects, to eliminate the city competing with local organizations for funding.

### **Strategic Plan:**

To promote citizen engagement and build strong alliances with other government entities, private sector partners, and community members.

TLT		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
225-000-310-300	Transient Lodging Tax	344,230	325,000	336,595	336,600	336,600	
225-000-360-100	Interest Earnings	5,032	300	5,000	4,000	4,000	
<b>Total Revenues</b>		<b>349,263</b>	<b>325,300</b>	<b>341,595</b>	<b>340,600</b>	<b>340,600</b>	
225-575-320	PROFESSIONAL SERVICES	—	17,000	—	10,000	10,000	
225-575-322	Prof Serv-Other	372	150	—	—	—	
225-575-540	Advertising	5,600	150	—	—	—	
225-575-550	Printing & Postage	—	150	100	—	—	
225-575-600	General Supplies	—	150	—	—	—	
225-575-650	Grant Awards Round 1	121,713	44,000	31,536	44,000	44,000	
225-575-650	Grant Awards Round 2	—	44,000	34,230	44,000	44,000	
225-575-650	Fire Works	—	17,000	17,000	17,000	17,000	
225-575-650	Additional Potential Grants	—	22,000		22,000	22,000	
225-575-730	IMPROVEMENTS OTHER THAN BLDGS	—	900,000	950,000	174,336	174,336	
<b>Total Expenses</b>		<b>127,685</b>	<b>1,044,600</b>	<b>1,032,866</b>	<b>311,336</b>	<b>311,336</b>	
<b>Net Change in Fund Balance</b>		<b>221,578</b>	<b>(719,300)</b>	<b>(691,271)</b>	<b>29,264</b>	<b>29,264</b>	
Beginning Fund Balance		939,595	1,173,477	1,161,173	469,902	469,902	
Ending Fund Balance		1,161,173	454,177	469,902	499,166	499,166	
Committed Fund Balance		1,054,556	317,056	272,854	441,154	441,154	
Assigned Fund Balance		106,637	137,121	197,048	58,012	58,012	

## Capital Funds

### Capital Fund

The Capital Fund was created by Resolution 02-004 to account for sources and uses of monies for major equipment purchases and capital projects. The intention was to set aside a little money each year in a separate fund to accumulate enough funds to pay for large projects. The last time money was transferred into the Capital Fund was 2007. Projects continue to be paid out of this fund, but money is never replaced.

### Capital Improvement Fund

NRS 354.598155 Special ad valorem capital project fund, states the following:

- Each local government that receives a portion of the revenue from the tax levied pursuant to the provisions of NRS 354.59815 shall establish a special ad valorem capital projects fund and shall deposit all revenue pursuant to the provisions of NRS 354.59815 in that fund. All interest and income earned on the money in the fund must also be deposited in the fund.
- The money in the fund may only be used for:
  - The purchase of capital assets including land, improvements to land and major items of equipment;
  - The renovation of existing governmental facilities not including normal recurring maintenance; and
  - The repayment of medium-term obligation issued to fund a project described in paragraph (a) or (b).
- Money may be retained in the fund for not more than 10 years to allow the funding of projects without issuance of bonds or other obligations. For determining the length of time a deposit of money has been retained in the fund, all money withdrawn from the fund shall be deemed to be taken on a first-in, first-out basis.
- The annual budget and audit report of each local government must specifically identify this fund and must indicate in detail the projects that have been funded with money from the fund. Any planned accumulation of the money in the fund must also be specifically identified.



		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
<b>Capital</b>							
300-000-360-100	Interest Earnings	2,700	1,000	2,200	1,500	1,500	
<b>Total Revenues</b>		<b>2,700</b>	<b>1,000</b>	<b>2,200</b>	<b>1,500</b>	<b>1,500</b>	
300-425-730	Improve other than Buildings	—	102,227	—	452,227	452,227	Farm District Road Multiuse Path Phase II (27,180), Hardie Lane design & construction (75,047) Depot Roof Replacement (\$250,000), Courtroom/ Council upgrade (\$100,000).
<b>Total Expenditures</b>		<b>—</b>	<b>102,227</b>	<b>—</b>	<b>452,227</b>	<b>452,227</b>	
<b>Net Change in Fund Balance</b>		<b>2,700</b>	<b>(101,227)</b>	<b>2,200</b>	<b>(450,727)</b>	<b>(450,727)</b>	
Beginning Fund Balance		562,949	564,349	565,649	567,849	567,849	
Ending Fund Balance		565,649	463,122	567,849	117,122	117,122	

<b>Capital Improvement</b>							
305-000-310-100	Tax Revenue	45	1,500	50	50	50	
305-000-360-100	Interest Earnings	224	120	225	175	175	
<b>Total Revenues</b>		<b>269</b>	<b>1,620</b>	<b>275</b>	<b>225</b>	<b>225</b>	
305-425-730	Improve other than Buildings	—	46,000	—	—	—	
<b>Total Expenses</b>		<b>—</b>	<b>46,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	
<b>Net Change in Fund Balance</b>		<b>269</b>	<b>(44,380)</b>	<b>275</b>	<b>225</b>	<b>225</b>	
Beginning Fund Balance		46,607	48,227	46,876	47,151	47,151	
Ending Fund Balance		46,876	3,847	47,151	47,376	47,376	

## Administrative Assessment Estimated Revenue and Expenses

Pursuant to NRS 176.059, the Court is committing the balance of the Courts Administrative Assessment fees in the amount of \$25,700 to cover any additional costs needed to support and improve the operations of the court. While there has been a slight increase in the number of criminal cases in the Fernley Municipal Court, there has been a decrease in the number of traffic cases file. In FY 2015/2016, there was a decrease in total case filings of -11% from the prior year. Additionally, in FY 2016/2017, there was a -25.42% decrease. The number of case filings also affect the revenue that is generated. While FY 2015/2016 brought an increase in revenue of 3.06%, in FY 2017/2018, there was a decrease in revenue of -15%. The funds collected in the Fernley Municipal Court are distributed to various sources, including the City of Fernley General Fund, the Administrative Assessment Fund, the Court Facility Fund, Lyon County, and the State of Nevada.

The following expenditures will be paid from the Court's Administrative Assessment Fees:

Admin Assessment		2016-17	2017-18	2017-18	2018-19	2018-19
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget
200-000-350-100	Penalties/Fines Municipal Court	14,882	15,000	14,056	14,000	14,000
200-000-360-100	Interest Earnings	152	—	100	75	75
<b>Total Revenues</b>		<b>15,034</b>	<b>15,000</b>	<b>14,156</b>	<b>14,075</b>	<b>14,075</b>
200-425-322	Prof Serv-Other	8,606	10,000	8,000	5,000	5,000
200-425-580	Training	1,966	4,000	4,000	4,000	4,000
200-425-581	Dues and Memberships	500	1,000	500	500	500
200-425-582	Travel	1,943	2,000	2,000	2,000	2,000
200-425-600	General Supplies	2,066	5,000	5,000	5,000	5,000
200-425-605	Minor Equipment	3,794	7,000	7,000	7,000	7,000
200-425-640	Books and Periodicals	0	500	500	500	500
200-425-699	Svc & Supplies-Misc	352	1,700	500	1,700	1,700
<b>Total Expenses</b>		<b>19,226</b>	<b>31,200</b>	<b>27,500</b>	<b>25,700</b>	<b>25,700</b>
<b>Net Change in Fund Balance</b>		<b>(4,192)</b>	<b>(16,200)</b>	<b>(13,344)</b>	<b>(11,625)</b>	<b>(11,625)</b>
Beginning Fund Balance		35,881	16,359	31,689	18,345	18,345
Ending Fund Balance		31,689	159	18,345	6,720	6,720

## Court Facility Fee Fund Estimated Revenue and Expenditures

NRS 176.0611(1) states, a county or a city, upon recommendation of the appropriate court, may, by ordinance, authorize the justices or judges of the justice or municipal courts within its jurisdiction to impose for not longer than 50 years, in addition to the administrative assessments imposed pursuant to NRS 176.059, 176.0613 and 176.0623, an administrative assessment for the provision of court facilities.

In FY 2017/2018, Court Facilities funds were used to develop a plan for the update of the Courtroom/City Council Chambers. The FY 2018/2019 budget proposes funding to be taken out of the court facility fund as well as the capital fund to implement phases I and II as outlined in the plan.

Court Facilities		2016-17	2017-18	2017-18	2018-19	2018-19	
		FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	
Account Number	Account Title	Actual	Budget	Actual Estimated	Tentative Budget	Final Budget	Comments
210-000-350-100	Penalties/Fines Municipal Court	21,275	22,065	20,000	20,000	20,000	
210-000-360-100	Interest Earnings	419	—	300	250	250	
<b>Total Revenues</b>		<b>21,694</b>	<b>22,065</b>	<b>20,300</b>	<b>20,250</b>	<b>20,250</b>	
210-425-322	Prof Services-Other	—	17,000	15,000	25,000	25,000	
210-425-605	Minor Equipment	5,400	20,000	5,000	25,000	25,000	
210-425-699	SVC & SUPPLIES-MISC	—	44,074	5,000	25,000	25,000	
210-425-720	Buildings	—	—	—	—	—	
210-425-730	Improve other than Buildings	13,861	—	—	—	—	
210-425-743	Furniture and Fixtures	—	—	—	—	—	
<b>Total Expenses</b>		<b>19,261</b>	<b>81,074</b>	<b>25,000</b>	<b>75,000</b>	<b>75,000</b>	
<b>Net Change in Fund Balance</b>		<b>2,433</b>	<b>(59,009)</b>	<b>(4,700)</b>	<b>(54,750)</b>	<b>(54,750)</b>	
Beginning Fund Balance		79,324	82,066	81,757	77,057	77,057	
Ending Fund Balance		81,757	23,057	77,057	22,307	22,307	

\*\$40,000 to be used for Courtroom/City Council Chamber upgrades - Phase I and II of proposed plan.

## Section VI: Capital Improvement Plan

## Capital Projects Budget

Government Capital Projects								
Fund/Dept. Number	General Fund, Capital Fund, Capital Improvement Fund, Grants Fund							
Purchase Replacement Year	Description	Economic Life (Years)	TOTAL COST	Funding Source				
				(100) General Fund	(220) Grants Fund	(230) RCT Fund	(300) Capital Fund	(400) Cap. Imp. Fund
2018/19	Hardie Lane-Design and Construction		5,989,256	5,230,000	732,076		27,180	
2018/19	Farm District Road Multiuse Path Phase II		215,000	139,953			75,047	
2018/19	Community Center Preliminary Design		100,000	20,000	80,000			
2018/19	Replacement Fleet Vehicle, Fleet Truck (30% Streets, 10% Parks)	10	15,000	15,000				
2018/19	Replacement Fleet Vehicle, Parks Truck	10	32,500	32,500				
2018/19	Replacement Fleet Vehicle, Animal Control Truck	10	32,500	32,500				
2018/19	Depot Sewer Lateral Phase 1 Design SS Lateral		60,000		60,000			
2018/19	Depot Sewer Lateral Phase 2 Construction and Design Ancillary Bldg.		300,907		300,907			
2018/19	Depot Roof Replacement	20	250,000				250,000	
2018/19	LWCF Grant Match, Green Valley and In-Town Park Improvements		150,000		100,000	50,000		
2018/19	Parks improvements - TBD		105,000			105,000		
2018/19	Light tower for streets		12,500	12,500				
<b>Total Capital Outlay</b>			<b>7,262,663</b>	<b>5,482,453</b>	<b>1,272,983</b>	<b>155,000</b>	<b>352,227</b>	<b>0</b>
2018/19	*PMP Project, Truckee River Ranch, Silverland Estates, Desert Bluff		500,000	500,000				
2018/19	*Annual Crack Repair, Monitoring and Maintenance		90,000	90,000				
2018/19	*ADA Transition Plan Infrastructure Survey and Inventory		150,000	150,000				
2018/19	*Retention Basin Maintenance	10	50,000	50,000				
2018/19	*Transportation Master Plan		150,000	150,000				
<b>Total Major Maintenance Projects</b>			<b>940,000</b>	<b>940,000</b>				
*Expenditures not considered capital projects, but major maintenance/repair or other professional services.								

All governmental capital projects must be included in this schedule and in the operating budget of the responsible department. All capital projects must be greater than \$5,000. If your department wishes to pay for a capital project using a reserved portion of fund balance, the project expenditures still must be included in the current year operating budget.	Facilities	100-417-720		20,000				
	Parks	100-575-742		36,250				
	Streets	100-475-730		1,469,953				
	Streets	100-475-741		12,500				
	Streets	100-475-745		3,900,000				
	Streets	100-475-742		11,250				
	Animal Control	100-525-742		32,500				
	RCT	230-575-730				155,000		
	Grants	220-480-658			1,272,983			
	Capital	300-425-730					352,227	
			7,262,663	5,482,453	1,272,983	155,000	352,227	

\*\$1.83M proposed from Committed, Public Works Future Roadway Improvements per City of Fernley Resolution 13-014 and 14-014; \$139,953 proposed from restricted funds for the multi-use path

Government Capital Projects (Cont'd)							
Fund/Dept. Number	General Fund, Capital Fund, Capital Improvement Fund, Grants Fund						
Purchase/Replacement Year	Description	Economic Life (Years)	TOTAL COST	Funding Source			
				(100) General Fund	(200) Grants Fund	(300) Capital Fund	(400) Cap. Improv. Fund
2019/20	Replacement Fleet Vehicle TBD		25,000				
2019/20	Gustafson Bridge Structural Assessment		20,000				
2019/20	Cottonwood Shop Drainage Construction		50,000				
2019/20	*ADA Transition Plan Final Plan Development		150,000				
2019/20	City Hall Fencing Project	20	140,000				
2019/20	City Hall Security Improvement Project	20	210,000				
2019/20	*PMP Project, Cottonwood Lane Slurry and Design		1,200,000				
2019/20	*Annual Crack Repair, Monitoring and Maintenance		90,000				
2019/20	*Retention Basin Maintenance		100,000				
2019/20	*ADA Transition Plan Project, TBD		50,000				
2019/20	Vector Truck Replacement	10	37,500				
2019/20	*Cemetery Facility Plan		20,000				
<b>Total Expenditures</b>			<b>2,092,500</b>				
2020/21	*PMP Project, Southwest Meadows, Fernley Hills, Sage Valley/Ranch		1,200,000				
2020/21	Cottonwood Shop Drainage Improvements Construction		200,000				

2020/21	*Annual Crack Repair, Monitoring and Maintenance		70,000				
2020/21	Replacement Fleet Vehicle, TBD		35,000				
2020/21	ADA Transition Plan Project, TBD		50,000				
2020/21	*Retention Basin Maintenance		100,000				
<b>Total Expenditures</b>			<b>1,655,000</b>				
	*PMP Project, Shadow LN Phase 2 (Shadow LN West)						
2021/22	*PMP Project, Southwest Meadows, Fernley Hills, Sage Valley/Ranch		1,200,000				
2021/22	*Annual Crack Repair, Monitoring and Maintenance		70,000				
2021/22	Replacement Fleet Vehicle, TBD		35,000				
2021/22	*ADA Transition Plan Project, TBD		50,000				
2021/22	*Retention Basin Maintenance		100,000				
<b>Total Expenditures</b>			<b>1,455,000</b>				
2022/23	*PMP Project, Industrial		1,200,000				
2022/23	*Annual Crack Repair, Monitoring and Maintenance		70,000				
2022/23	Replacement Fleet Vehicle, TBD		35,000				
2022/23	*ADA Transition Plan Project, TBD		50,000				
2022/23	*Retention Basin Maintenance		100,000				
<b>Total Expenditures</b>			<b>1,455,000</b>				
<b>Water Enterprise - Capital Projects</b>							
<b>Fund and Department Number</b>	<b>Water Enterprise Fund</b>						
<b>Purchase/Replacement Year</b>	<b>Description</b>	<b>Life (Yrs)</b>	<b>Total Cost</b>				
2018/19	Water Meter Replacements Citywide		250,000				
2018/19	Hardie Lane Waterline Replacement		736,000				
2018/19	Pipe Bridge Rehabilitation Construction, Ricci Lane and Cottonwood Crossings		220,000				
2018/19	EWWTTP Fire Lane and Potable Water Main Design		85,000				
2018/19	Peach Tank Demolition		75,000				
2018/19	Surface Water Conveyance and Treatment Design		500,000				
2018/19	Fleet Vehicle (Proportionate Share)		11,250				
2018/19	Sage Ranch Booster Pump Repair Project Design and Construction		125,000				
<b>Total Annual Expenditures</b>	<b>Total Capital Outlay - ties to Cash Flow Statement</b>		<b>2,002,250</b>				
2018/19	*Well No. 4 Transfer Switch Installation (GL 510-810-430)		25,000				
2018/19	*Fire Hydrant Replacement (GL 510-810-430)		20,000				

Water Enterprise - Capital Projects Continued			
2018/19	*Water System Master Plan Update *GL 510-810-320		175,000
2018/19	*Water Resource Plan GL *510-810-320		120,000
<b>Total Annual Expenditure</b>	<b>Total included in operation budget</b>		<b>340,000</b>
2019/20	Water Meter Replacements Citywide		250,000
2019/20	Fire Hydrant Replacement		12,500
2019/20	Surface Water Conveyance and Treatment Integration Final Design and Construction		3,000,000
2019/20	Ricci Tank Interior Recoat and Overflow Relocation Design and Construction		500,000
2019/20	Well No. 4 Backup Generator and Direct Drive Removal Design and Construction		180,000
2019/20	EWWT Fire Line and Potable Water Main Construction		600,000
<b>Total Annual Expenditures</b>			<b>4,542,500</b>
2020/21	Well Bypass Projects		120,000
2020/21	Sage Tank Interior/Exterior Recoat		225,000
	Surface Water Conveyance and Treatment Integration Final Design and Construction		5,000,000
2020/21	Vine Street Water Main Connection		500,000
2020/21	Water Meter Improvements Citywide		250,000
2020/21	Fire Hydrant Replacement		12,500
2020/21	WTP Filter Replacement		540,000
<b>Total Annual Expenditures</b>			<b>6,647,500</b>
2021/22	Water Meter Improvements Citywide		250,000
2021/22	Raw Tank Recoat Project		300,000
2021/22	Fire Hydrant Replacement		12,500
2021/22	WTP Filter Replacement		540,000
2021/22	Armstrong Well Tie-in		250,000
<b>Total Annual Expenditures</b>			<b>1,352,500</b>
2022/23	Water Meter Improvements Citywide		125,000
2022/23	Fire Hydrant Replacement		12,500
2022/23	WTP Filter Replacement		540,000
2022/23	Tank Recoat Project		300,000
<b>Total Annual Expenditures</b>			<b>977,500</b>



Sewer Enterprise - Capital Projects			
Fund and Department Number	Sewer Enterprise Fund		
Dept. Function or Name	PW/Engr		
Prepared By	JAD		
Purchase/Replacement Year	Description	Economic Life (Yrs)	Total Cost
2018/19	Hardie Lane Sewer Line Design and Construction (Sewer)		76,000
2018/19	Villa Way, Parkland and Randon Court Sewer Main Replacement Design		50,000
2018/19	Farm District Road Lift Station PER and Final Design		90,000
2018/19	West Street Lateral Reconstruction		20,000
2018/19	East Lift Station Cutter Heads and Brushes		60,000
2018/19	Fleet Vehicle (Proportionate Share)		11,250
<b>Total Annual Expenditures</b>	<b>Total Capital Outlay - ties to Cash Flow Statement</b>		<b>307,250</b>
2018/19	Sewer Master Plan Update *GL 520-810-320		150,000
2018/19	East Lift Station Grit Chamber Chain Replacement *GL 520-810-430		20,000
<b>Total Annual Expenditure</b>	<b>Total included in operation budget</b>		<b>170,000</b>
2019/20	Farm District Road Lift Station Rehabilitation and Force Main Replacement Construction		620,000
2019/20	Villa Way, Parkland and Randon Court Sewer Main Replacement Construction		250,000
2019/20	Pond Relining Project Design and Construction		1,000,000
<b>Total Annual Expenditures</b>			<b>1,870,000</b>
2020/21	Enclosure for Headworks at Highway 50		250,000
2020/21	Sewer Main Replacement/Rehabilitation		250,000
2020/21	Camille Genset and SCADA Installation		150,000
2020/21	Donner Trails Lift Station Generator Replacement Design and Construction		50,000
2020/21	Metal Storage Building/Shop for East Plant		275,000
<b>Total Annual Expenditures</b>			<b>975,000</b>
2021/22	MARS Aerator System Installation in Pond 4A and 4B		400,000
2021/22	Pond Relining Project Design and Construction		1,000,000
2021/22	Sewer Main Replacement/Rehabilitation		250,000
<b>Total Annual Expenditures</b>			<b>1,650,000</b>
2022/23	Sewer Main Replacement/Rehabilitation		250,000
<b>Total Annual Expenditures</b>			<b>250,000</b>



Project Title: Farm District Road Multiuse Path Phase II								
Department: Streets and Storm Drain/General Fund								
Description and Justification:								
<p>The City was approved for grant funding to construct an additional multi-use path along Farm District Road. The path will extend down Farm District Road from the existing multi use path that currently ends at Crimson Road (past Cottonwood Elementary School) and will extend east to Jasmine Lane. The path will be ten feet wide and separated from the main roadway by at least five feet. The design of the path as well as the construction administration will be completed by the NDOT.</p> <p>The proposed multi-use path will provide a safe passage for pedestrians and bicyclists from Silverland Middle School and surrounding neighborhoods into the center of the community.</p> <p>The City will be required to pay the NDOT \$215,000 as part of the grant agreement. The total cost of the project is estimated to be \$1,653,800.00. The City will also be responsible for all costs not eligible for grant funding and all costs in excess of the total grant budget.</p>								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Bike and Pedestrian Safety. Bike and Pedestrian facilities were identified in the 2017 Parks Master Plan								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design	1	100-475-730	\$ 139,953	\$ 139,953				
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other	5	300-425-730	\$ 75,047	\$ 75,047				
Total			215,000	215,000				
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund		(5) Capital Fund		(7) Other	
(2) Water Enterprise Fund			(4) Federal Grants		(6) RCT Funds			

Community Center Preliminary Design								
Department: Facilities								
Description and Justification:								
Funding is for the conceptual design of the future multi-purpose Fernley Community Center, including a strong focus on community outreach and visioning for the facility. This project will run concurrent with the design and construction of the new Lyon County Senior Center and Human Services Center, which is to be built on the existing land, adjacent to the future community center. Lyon County is in the preliminary design process for their new senior center. The City purchased the vacant 8.5 acres behind the Depot on August 2, 2017, using all of it's transient lodging tax funds to purchase the property, a total of \$950,000. The City purchased this land to build the new multi-purpose Community Center. The City has created a working group of key stakeholders who have agreed to pledge support for this project, this group includes: Lyon County Manager's Office, Lyon County Human Services (and Senior Center), Lyon County Sheriff's Office, Lyon County School District, Western Nevada College, and the Boys and Girls Club of Truckee Meadows.								
Relationship to Strategic Plan: (Community Goals) "To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability."								
Relationship to Council Priorities: FY 2018/19 Budget Priorities, as approved at the December 06, 2017 Fernley City Council Meeting: Asset Management and Funding Plan, Road Maintenance and Repair								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design	1	Grants Fund		\$ 80,000				
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other	1	Facilities 100-417-720		20,000				
Total				100,000				
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund			(5) Capital Fund		
(2) Water Enterprise Fund			(4) Federal Grants			(6) RCT Funds		
						(7) Other		

Project Title: Purchase of 1 Ton, Crew Cab 4WD Pickup Truck								
Department: Fleet								
Description and Justification: The Fleet Department is requesting the purchase of a 4-wheel drive, Crew Cab truck with bed to replace the truck that is currently assigned to the Fleet Department. The Fleet department uses the truck to transport heavy equipment parts and respond to field repairs. The Fleet Department will reassign the current ½ ton truck per the City of Fernley Fleet Management (FMP) policy. Per Policy, the duties of the Fleet Foreman include recommendations for acquisition, disposition, or reassignment of Fleet Assets. The Fleet Foreman recommends disposal of our oldest fleet vehicle (1 of 2 - 1999 Ford ½ ton's in service) which is beyond the amount of service miles and age recommended for vehicle replacement per the City of Fernley Fleet Management Program (FMP) Policy, Table 4.1 Appendix 8, Replacement Standard. The 1999 Ford ½ ton will be disposed of through the Property disposal agent, the city manager.								
Relationship to Strategic Plan: To deliver and provide fiscally stable public services that result in a safe, responsive, forward thinking and collaborative community.								
Relationship to Council Priorities: To Improve and enhance the level of service within the organization.								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment	1,2,3	Sewer (30%), 520-165-300 Water (30%), 510-165-300 SSD (30%), 100-475-741 Parks (10%), 100-575-741	\$37,500 (General Fund \$15,000)	\$11,250 \$11,250 \$11,250 \$3,750				
G. Contingency								
H. Other								
Total	\$ 37,500							
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund		(5) Capital Fund		(7) Other	
(2) Water Enterprise Fund			(4) Federal Grants		(6) RCT Funds			

Project Title: Purchase of one (1) ¾ Ton Crew Cab Pickup Truck								
Department: Parks								
Description and Justification: The Parks Department is requesting the purchase of a 4-wheel drive, Crew Cab truck with bed to replace the truck that is currently assigned to the Parks Department. The Park department uses the truck to transport mowers, tractors and dump trailers using a ½ ton truck. The Fleet Department will reassign the current ½ ton truck per the City of Fernley Fleet Management (FMP) policy. Per Policy, the duties of the Fleet Foreman include recommendations for acquisition, disposition, or reassignment of Fleet Assets. The Fleet Foreman recommends disposal of our oldest fleet vehicle (1 of 2 - 1999 Ford ½ ton's in service as a seasonal employee use truck within the Parks Department) which is beyond the amount of service miles and age recommended for vehicle replacement per the City of Fernley Fleet Management Program (FMP) Policy, Table 4.1 Appendix 8, Replacement Standard. The 1999 Ford ½ ton will be disposed of through the Property disposal agent, the city manager.								
Relationship to Strategic Plan: Preserve and maintain quality of life and enhance maintenance and reconstruction of City infrastructure with emphasis on sustainability.								
Relationship to Council Priorities: To Improve and enhance the level of service within the organization.								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment	1	100-575-741	32,500	32,500				
G. Contingency								
H. Other								
Total	32,500							
Source of Funds Legend								
(1) General Fund		(3) Sewer Enterprise Fund		(5) Capital Fund		(7) Other		
(2) Water Enterprise Fund		(4) Federal Grants		(6) RCT Funds				

Project Title: Purchase of a ¾ Ton Crew Cab Pickup								
Department: Animal Control								
Description and Justification: The Fleet Department on behalf of Animal Control Department is requesting the purchase of a 4-wheel drive, Crew Cab truck with bed to replace the truck that is currently assigned to the Animal Control Department. The Animal Control department uses the truck to transport a dog kennel of substantial weight over long distances to the county holding facility. The Fleet Department recommends the current ½ ton truck is set for disposal. Per Policy, the duties of the Fleet Foreman include recommendations for acquisition, disposition, or reassignment of Fleet Assets. The Fleet Foreman recommends the current truck is beyond the amount of service miles and age recommended for vehicle replacement per the City of Fernley Fleet Management Program (FMP) Policy, Table 4.1 Appendix 8, Replacement Standard. The existing truck will be disposed of through the Property disposal agent, the city manager.								
Relationship to Strategic Plan: To deliver and provide fiscally stable public services that result in a safe, responsive, forward thinking and collaborative community.								
Relationship to Council Priorities: To Improve and enhance the level of service within the organization.								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment	1	100-413-741	32,500	\$ 32,500				
G. Contingency								
H. Other								
Total	32,500							
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund			(5) Capital Fund		
(2) Water Enterprise Fund			(4) Federal Grants			(6) RCT Funds		
						(7) Other		

<b>Project Title:</b> Depot Sewer Lateral Construction and Site Design								
<b>Department:</b> Parks								
Description and Justification: This project is funded by a Community Development Block Grant and will be completed in two phases. The first phase will construct the sewer main extension that will extend from the north side of Main Street and terminate next to the Train Depot property. The second phase will complete the design for the site improvements required to construct a restroom and kitchen facility in the Train Depot property. Further grant funding will be required in order to buy a prefabricated restroom and kitchen facility and to complete the site improvements. The site improvements will include but are not limited to; foundation construction, utility connections for the new building, sidewalk and other concrete flatwork required to provide ADA complaint access, and any required drainage improvements to the site.								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Train Depot improvements								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	1	Grants Fund		\$ 300,907				
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total				\$ 300,907				
Source of Funds Legend (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund        (4) Federal Grants                      (6) RCT Funds								



<b>Project Title:</b> Depot Roof Replacement								
<b>Department:</b> Facilities								
<b>Description and Justification:</b> This project will install new roofing on the train depot building (built 1914). The Train Depot is located on main street and is currently not open to the public. The building was moved to the current site in 1986 and upgraded with structural improvements in 1992. The current roof on the building is made up of cedar shake shingles and is badly deteriorated. There is no sheathing under the shingles so there are areas where water can easily make its way into the interior of the building. The new roofing will replace the current roofing of the building. A Capital Improvement Project (CIP) for the Depot Improvements is identified in GL 730. Staff has specifications for roofing to publicly bid for the project to get competitive pricing. City Council should consider whether the Depot is desired to remain as a historical structure and repaired with period correct hand cut shingles, or if more modern roofing can be considered with re-categorization with the State Historical Preservation Office (SHPO). Initial estimate from Staff/Consultant discussions indicate that re-roofing may be \$250,000. Cost's may be substantially higher if period correct materials are used. The depot has a low pitch hipped asphalt-shingled roof with the ridge line extending the length of the building on the first story. The second story has a moderately-hipped, asphalt shingled pyramidal roof. Within Nevada, the F&L established stations in Fernley, Wadsworth, Sutcliffe, Zenobia, and Flanigan. As far as research has permitted, it was highly likely that all had a depot, except for Wadsworth. 84 Of these stations, only the Fernley depot exists, thereby making it the last remaining building associated with the Fernley and Lassen Railway in Nevada.- NATIONAL REGISTER OF HISTORIC PLACES								
Relationship to Strategic Plan: In a fiscally stable and responsible manner, the City of Fernley should continue to prioritize and fund infrastructure projects that require the greatest attention in terms of maintenance and reconstruction and communicate openly with the community's citizens about how each project will continue to preserve, maintain and enhance the community's quality of life.								
Relationship to Council Priorities: Depot Improvements								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	1	100-417-730		250,000				
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total				250,000				
Source of Funds Legend (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund        (4) Federal Grants                      (6) RCT Funds								



<b>Project Title:</b> Parks Master Plan Projects- TBD								
<b>Department:</b> Parks								
Description and Justification: Pursuant to NRS 278.497 to 278.4987, inclusive, the council hereby adopts the residential construction tax, hereinafter "RCT." Applicability. The RCT shall apply to all new residential dwelling units, apartment houses and development of mobile home lots. The RCT shall not apply to reconstruction or replacement. (2)Purpose. The purpose of the RCT is to raise revenue to enable the city to provide neighborhood parks and facilities for parks which are required by the residents of those apartment houses, mobile homes and residences. The RCT shall be used in a manner consistent with the city park and recreation plan for: a. Park facilities including turf, trees, irrigation, playground apparatus, playing fields, areas to be used for organized amateur sports, play areas, picnic areas, horseshoe pits and other recreational equipment or appurtenances designed to serve the natural persons, families and small groups from the neighborhood from which the tax was collected; or b. The acquisition, improvement or expansion of park sites not exceeding 25 acres designed to serve the recreational needs and outdoor needs of natural persons, families and small groups. Projects will be determined in accordance with the adopted Parks Master Plan, June 2017.								
Relationship to Strategic Plan: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: FY 2018/19 Budget Priorities, as approved at the December 06, 2017 Fernley City Council Meeting: Asset Management and Funding Plan.								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	6	230-575-730	\$ 105,000	\$ 105,000				
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total								
Source of Funds Legend (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund        (4) Federal Grants                      (6) RCT Funds								

Project Title: Purchase of a Small Light Plant								
Department: Streets and Storm Drains								
Description and Justification: The Streets and Storm Drains Department is requesting the purchase of a new “small” light plant for emergency and/or night time operations that require illumination. If approved, this equipment will be used for city wide emergency nighttime maintenance and construction. It could also be used for special events and other occasions where lighting is needed. The purchase of this equipment will reduce the amount spent annually for similar rental equipment.								
Relationship to Strategic Plan: To deliver and provide fiscally stable public services that result in a safe, responsive, forward thinking and collaborative community.								
Relationship to Council Priorities: To Improve and enhance the level of service within the organization.								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment	1	100-475-741	\$ 12,500.00					
G. Contingency								
H. Other								
Total	\$ 12,500.00							
Source of Funds Legend (1) General Fund (2) Water Enterprise Fund (3) Sewer Enterprise Fund (4) Federal Grants (5) Capital Fund (6) RCT Funds (7) Other								



Project Title: Annual Crack Repair, Monitoring and Maintenance								
Department: Streets and Storm Drain								
Description and Justification:								
<p>Within the industrial park on the northeast side of Fernley, streets such as East Newlands DR, Nevada Pacific PKWY and Stanley DR have extensive transverse and longitudinal shrinkage cracks, that range in width up to approximately twelve inches. In general, cracks within this area exceeding a width of two inches are repaired through the City's Annual Wide Crack Program, (previously, the East Newlands DR Crack Repair, Monitoring and Maintenance Program).</p> <p>The only permanent solution to the severe cracking exhibited in this AC behavior, is to fully remove the existing AC surfaces and reconstruct the roadways (from curb to curb). This is a costly proposition for the City, with previous cost estimates ranging between \$5 to \$10M. In an effort to improve ride quality and safety for motorists, the City has chosen to manage the wide cracks as part of the yearly pavement maintenance program, until sufficient funding is available to replace problem pavements. Since crack widths continue to expand, additional maintenance (and associated costs) will be required on an annual basis to address settlement of previous crack repairs and to repair previously unaddressed cracks that have grown to a minimum width exceeding two inches.</p> <p>The City has completed wide crack repairs for the AC cracks prevalent in East Newlands DR, Nevada Pacific PKWY, and other areas of the City, during the last three fiscal years. The FY 14/15 Project completed repairs on 10,276 linear feet (LF), (just under two (2) miles), of cracks in the City's industrial area, including: East Newlands DR, NV Pacific PKWY and Stanley DR. The FY 15/16 Project was expanded to include crack repairs on residential streets exhibiting similar wide crack distresses. 5,177 LF, (just under one (1) mile), of crack repair in the City's industrial area and a portion of the Golf Course area were completed in FY 15/16. The FY 16/17 Project completed approximately 7,027 LF of wide crack repairs in the Upland Ranch Estates and Country Ranch Estates areas.</p> <p>For the FY 18/19 Annual Crack Repair Project, Staff is proposing construction of a slurry seal test section on East Newlands DR. The test section will include a portion of East Newlands DR, from Stanley DR to Lyon DR. The slurry will be installed over repairs completed in previous fiscal years, with the addition of an HMA cap prior to installation of the slurry. The performance of the test section will be monitored, and will provide Staff with an indication of the potential effectiveness of applying a slurry to the remaining portion of East Newlands DR, and other streets that have received wide crack repairs.</p>								
Relationship to Strategic Plan: (Community Goals) "To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability."								
Relationship to Council Priorities: FY 2018/19 Budget Priorities, as approved at the December 06, 2017 Fernley City Council Meeting: Asset Management and Funding Plan, Road Maintenance and Repair								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	1	100-475-430	390,000	90,000	\$ 90,000	\$ 70,000	\$ 70,000	\$ 70,000
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			390,000	90,000	\$ 90,000	\$ 70,000	\$ 70,000	\$ 70,000
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund	(5) Capital Fund		(7) Other		
(2) Water Enterprise Fund			(4) Federal Grants	(6) RCT Funds				

Project Title: ADA Transition Plan Infrastructure Survey and Inventory

Department: Streets and Storm Drain

Description and Justification:

As of February 2016, the Nevada Department of Transportation's ADA Transition Plan has been approved by the Federal Highway Administration (FHWA). As part of the approved plan, (and an FHWA requirement), NDOT must ensure any Local Public Agencies (LPAs) that currently receive FHWA funds, (or think they may want to receive FHWA funds in the future), also have an approved transition plan. Therefore, the City is required to develop an ADA Transition Plan that will incorporate City policies, procedures, and practices to fulfill the requirements of Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act of 1990. The intent of the Transition Plan is to provide information to local Staff, the State, citizens of the City of Fernley and other interested parties regarding the City's efforts to ensure equal accessibility to City programs, services and facilities.

The first step in developing an ADA Transition Plan is to obtain an inventory of existing condition of accessibility of public information and features on City owned facilities and public rights-of-way. Funding for the FY 18/19 Project is proposed to utilize a consultant to: conduct an ADA Survey of City Public Facilities and Parks, and Right-of-Way Improvements (Sidewalks and Curb Ramps) for the City's paved Street Network in its entirety, (consisting of Network F1, F2 and F3), input data obtained from the survey into the City's StreetSaver software, and provide the City with a report inclusive of recommendations and cost estimates. Compilation of a final ADA Transition Plan is tentatively scheduled to be complete in FY 19/20.

Staff recommends completing this Project using the Committed (General Fund), Public Works Future Roadway Improvements, per City of Fernley Resolution #13-014 and 14-014 (\*)

Relationship to Strategic Plan: (Vision) "It is the vision of the City of Fernley to deliver and provide fiscally stable public services that result in a safe, responsive, forward-thinking and collaborative community. City of Fernley strives to be an organization responsive to change and public needs, being proactive rather than reactive....", and (Community Goals) "To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability."

Relationship to Council Priorities: FY 2018/19 Budget Priorities, as approved at the December 06, 2017 Fernley City Council Meeting: Asset Management and Funding Plan

RECOMMENDED FINANCING

	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other	1	100-475-320	\$ 300,000	\$ 150,000	\$ 150,000			
Total			300,000	\$ 150,000	\$ 150,000			

Source of Funds Legend

(1) General Fund  
(2) Water Enterprise Fund

(3) Sewer Enterprise Fund  
(4) Federal Grants

(5) Capital Fund  
(6) RCT Funds

(7) Other

Project Title: Retention Basin Maintenance								
Department: Streets and Storm Drain								
<p>Description and Justification: Retention basins are designed to be filled with excess storm water during storm events to ensure a functional storm water system, protect life and health of the community, minimize property damage and protect water quality. Basins treat incoming storm water runoff by allowing particles to settle and plant life to take up nutrients. Basic maintenance items, such as vegetation management, debris and litter removal, etc. should be routinely addressed in order for city owned basins to function properly. Current staff of 4 FTE is not adequate to address 45 citywide basins (22 owned by the city currently). Planning for a Retention basin maintenance program is currently in progress to maintain an acceptable condition for existing City-owned/maintained basins. In the prior fiscal year, a Capital Improvement Project was requested to address maintenance for approximately ten (10) retention basins during FY 17/18. Unfortunately, the funding was budgeted at \$10,000 rather than \$100,000. Staff is requesting a CIP in FY 2018/19 of \$100,000 to contract services to bring as many of the 22 city owned basins back to working order.</p>								
Relationship to Strategic Plan: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Capital Improvement of City Owned Assets, advancing toward Storm Water Enterprise Fund and financing mechanism to provide storm water control as a citywide utility.								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other	1	100-475-342	450,000	50,000	100,000	100,000	100,000	100,000
Total								
Source of Funds Legend (1) General Fund (2) Water Enterprise Fund (3) Sewer Enterprise Fund (4) Federal Grants (5) Capital Fund (6) RCT Funds (7) Other								



<b>Project Title:</b> Transportation Master Plan								
<b>Department:</b> Streets and Storm Drain								
Description and Justification: The City of Fernley has never had a transportation master plan. The Comprehensive Plan that was adopted in 2005 indicated that the City shall create and adopt a transportation master plan, but it was never completed. A transportation master plan is a guiding document for how vehicular and pedestrian traffic move through the community. It is a critical document for any community and is extremely helpful when dealing with proposed development. This project will pay for a consultant to assess the City's current infrastructure and create a master plan for future projects.								
Staff recommends completing this Project using the Committed (General Fund), Public Works Future Roadway Improvements, per City of Fernley Resolution #13-014 and 14-014 (*)								
Relationship to Strategic Plan: (Community Goals) "To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability."								
Relationship to Council Priorities: FY 2018/19 Budget Priorities, as approved at the December 06, 2017 Fernley City Council Meeting: Asset Management and Funding Plan								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design	1	100-475-320	\$ 150,000	\$ 150,000				
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			\$ 150,000	\$ 150,000				
Source of Funds Legend (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund        (4) Federal Grants                      (6) RCT Funds								



Project Title: Hardie Lane Waterline Replacement								
Department: Water Distribution								
Description and Justification:								
<p>This water line replacement project is for the design and construction of improvements to portions of the City's Water Distribution System that are approaching the end of their useful service life.</p> <p>The City has received multiple grants to reconstruct Hardie Lane. Design and Construction of portions of the Water Distribution System beneath Hardie Lane should occur in conjunction with the Hardie Lane Safe Routes to School and Roadway Reconstruction improvements. Performing the work while the street is being reconstructed is economically and operationally more efficient than if it were scoped as a separate project. The City will realize savings on design and construction by including it in the Hardie Lane Project. This area of town is part of the older portion of Fernley and the infrastructure is nearing the end of its useful service life. The waterline replacement portion of the Hardie Lane Reconstruction Project will include replacement of approximately 4,500 linear feet of waterline, starting at approximately 150 feet south of Main Street and ending at Rachel Street.</p>								
Relationship to Strategic Plan: (Community Goals) "To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability."								
Relationship to Council Priorities: FY 2018/19 Budget Priorities, as approved at the December 06, 2017 Fernley City Council Meeting: Asset Management and Funding Plan								
RECOMMENDED FINANCING								
	Source of Funds/GL		Estimated Expenditures by Fiscal Year	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2		736,000	736,000				
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			736,000	736,000				
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund		(5) Capital Fund		(7) Other	
(2) Water Enterprise Fund			(4) Federal Grants		(6) RCT Funds			

Project Title: Pipe Bridge Rehabilitation Project, Ricci Lane and Cottonwood Lane Crossings								
Department: Water Distribution								
<p>Description and Justification:</p> <p>This project is for the construction of improvements to two (2) existing Water Distribution System pipeline crossings; one located at Ricci Lane and one at Cottonwood Lane.</p> <p>The FY 16/17 Pipe Bridge Rehabilitation Project included plans, specifications and estimates prepared by Hyytinen Engineering, LLC for repairs of the Pipe Bridge at Miller LN, Ricci LN and Cottonwood LN. Construction of Improvements at the Miller LN crossing are anticipated to be complete prior to end of FY 17/18. Hyytinen's existing Contract for Engineering Services will need to be extended to complete Construction Services at the remaining crossing locations. These services were not included as part of the FY 16/17 Design Phase.</p> <p>A Contract for Construction Services, including Construction Management, Inspection and Materials Testing Services for the Project will be required as well.</p>								
Relationship to Strategic Plan: (Community Goals) "To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability."								
Relationship to Council Priorities: FY 2018/19 Budget Priorities, as approved at the December 06, 2017 Fernley City Council Meeting: Asset Management and Funding Plan								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2		220,000	220,000				
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			220,000	220,000				
<p>Source of Funds Legend</p> <div style="display: flex; justify-content: space-between;"> <span>(1) General Fund</span> <span>(3) Sewer Enterprise Fund</span> <span>(5) Capital Fund</span> <span>(7) Other</span> </div> <div style="display: flex; justify-content: space-between;"> <span>(2) Water Enterprise Fund</span> <span>(4) Federal Grants</span> <span>(6) RCT Funds</span> </div>								



<b>Project Title:</b> Peach Tank Demolition								
<b>Department:</b> Water Enterprise								
Description and Justification: When the Ricci Tank was installed and incorporated into the Water Distribution System, (approximate date built, 1996), storage provided by the 500,000 gallon capacity Peach Tank was no longer necessary and was taken offline. When the tank was taken offline, the only isolation completed was the closure of valves. As such, the NDEP Bureau of Safe Drinking Water (BSDW) requires the tank to be flushed and sampled (typical maintenance), since the tank is physically connected to the Water Distribution System. The monthly and quarterly inspection and testing performed by the department are not very costly, however the condition of the tank is beginning to be a concern. During the last inspection of the tank interior, the interior elements of the reservoir were assessed at a consistent Rust Grade of 4, which translates to rusting to the extent of 3% to 10% of surface rusted. This project will pay for the demolition and removal of the tank.								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Infrastructure maintenance								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2	\$75,000	75,000	\$ 75,000				
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			75,000	75,000				
Source of Funds Legend (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund        (4) Federal Grants                      (6) RCT Funds								

Project Title: Improvements to Deliver and Treat Surface Water to the Water Treatment Plant

Department: Water Enterprise

**Description and Justification:**

This project entails designing a preferred alternative for delivering surface water to the Fernley Water Treatment Plant. Additional services may include designing the preferred alternative upgrade to the treatment plant to successfully produce drinking water to the system users. A process for a preliminary engineering analysis was completed in Fiscal Year 17/18. Additionally, the project will continue a "source water" testing program which also began in FY 17/18. The next critical path step is to completion of 75% engineering plans for submittal to the Bureau of Reclamation (BOR) for consideration of an "Authorization for Use".

City Council set water management as a top priority in the Water Fund for Fiscal Year 2015-16. For Fiscal Year 2016-17 Council has refined the direction of staff to prioritize the design for construction of a delivery structure for surface water from the Truckee Canal to Fernley's water treatment plant, including potential modifications within the water treatment plant. Additional discussions/meetings and analysis of the Water Treatment Plant operations have brought to light some new and more accurate information as the City's needs have evolved in the last several years. The analysis report prepared by CDM Smith (CDM) in 2016/17 gave City Council the ability to have the appropriate information to make an informed decision on whether to proceed with improvements to provide treated surface water to its customers.

The WTP was designed and built in the late 2000's to treat both ground and surface water. Upon completion, and once commissioned into service in 2009, the Fernley WTP is substantially ready to treat surface water. Several optional components for treatment of surface water at the plant were outlined in the CDM report with probable costs being significantly lower than previously documented.

CDM prepared the City of Fernley Surface Water Treatment Alternatives Report (Report) which identifies and compares alternatives for the City of Fernley to treat the existing groundwater sources and/or a new surface water source at the City's existing drinking water treatment plant. Comparative planning level cost estimates are provided for potential capital improvements and annual operations and maintenance (O&M) costs. The analysis was prepared to advance the City's understanding of the potential activities and associated costs to implement a new surface water source to diversify its drinking water supply and meet future demands that could exceed available groundwater supplies.

As of April 2017, the City of Fernley is established in the TROA program and can store water in reservoirs operated under TROA. The City staff have begun the process of working with BOR to establish a path of considering alternatives to transport water from the canal to the WTP.

Surface water rights owned by the City have a diversion location at Derby Dam; diverting surface water from the Truckee River to the Truckee Canal. The City is in the process of acquiring the necessary U.S. Bureau of Reclamation (USBR) approval for use of the Newlands Project water and federal facilities (Truckee Canal, Derby Dam) to convey and divert water for municipal use. The City intends to design, construct, operate and maintain a canal outtake structure, pump station and pipeline to divert and convey surface water from the Truckee Canal to the WTP.

The scope of work for a consulting engineering firm this fiscal year will be:

Survey of existing Conditions, Geotechnical Investigation, Outlet Structure and Pipeline Design, Pump Station Design, Efficiency Study (BOR required) and Bidding Services. The design portion and permitting is anticipated to take 6-12 months, though BOR authorization could take longer.

Additionally, Staff will contract with CDM Smith to begin the design of the interior improvements of the Water Treatment Plant.

Preliminary Engineering has indicated the improvements are far less extensive than anticipate. Portions of this budget will allow CDM to prepare 100% plans for submittal to the Bureau of Safe Drinking Water for the added equipment within the plant.

**Relationship to Strategic Plan:** The Mission and Vision of the City is to provide fiscally stable, forward thinking which is responsive and proactive. Enhancing our water supply capabilities will promote future prosperity and balance the growth of the community. The ability to serve surface water will make the city more robust in its resources.

**Relationship to Council Priorities:** Surface Water to WTP: Funding will be allocated in the FY 2018/2019 budget development using in-lieu-of fees, which will be intended to expand the use of surface water within the City of Fernley. Diversification of the water supply to use surface water will assist in sustainability and will be carried out over several years.

RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design	2		1,000,000	500,000	500,000			
C. Land Acquisition								
D. Construction			5,000,000		2,500,000	2,500,000		
E. Furnishings/ Equipment			2,500,000			2,500,000		
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			8,500,000	500,000	3,000,000	5,000,000		
Source of Funds Legend (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund                      (4) Federal Grants                      (6) RCT Funds								



Project Title: Sage Ranch Booster Pump Repair Project Design and Construction

Department: Water Enterprise

Description and Justification:

In fiscal year 17/18, staff hired a consultant to complete a preliminary engineering report that assessed the current condition of the Sage Ranch Booster Pump station and would create a plan that would bring the pump station up to the Bureau of Safe Drinking Water's standards. During our annual sanitary survey with the Bureau of Safe Drinking Water, the pump station gets recommendations on improvements since the pump station was constructed below grade (underground). The preliminary engineering report completed in fiscal year 17/18 yielded a plan of improvements that would satisfy the Bureau of Safe Drinking Water's observations and recommendations for the pump station. This project will pay for the final design and bidding of the improvements and complete the construction of the improvements.

Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.

Relationship to Council Priorities: Infrastructure maintenance

RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design	2		25,000	25,000				
C. Land Acquisition								
D. Construction	2		\$ 100,000	\$ 100,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			125,000	125,000				
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund			(5) Capital Fund		
(2) Water Enterprise Fund			(4) Federal Grants			(6) RCT Funds		
						(7) Other		





<b>Project Title:</b> Water Master Plan Update								
<b>Department:</b> Water Enterprise								
<b>Description and Justification:</b> The current water master plan was completed 10 years ago. A utility should update its master plans every five years to adjust for growth rates, inflation, development patterns, and system needs. This project will allow staff to hire a consultant to analyze the current master plan, the water treatment and distribution system, current development projects, current planning and zoning, and future development and planning. The updated master plan will be used as a planning document to help identify and prioritize outstanding issues in the water distribution and treatment system and recommend broad, system-wide solutions. It will provide a framework for staff to use to improve the capacity and efficiency of our water distribution and treatment system. It can also be used to identify improvements that can be completed by new development as well as projects that the City will need to complete itself.								
<b>Relationship to Strategic Plan:</b> Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
<b>Relationship to Council Priorities:</b> Asset Management								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design	2	510.810.320	175,000	175,000				
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			\$ 175,000	\$ 175,000				
<b>Source of Funds Legend</b> (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund        (4) Federal Grants                      (6) RCT Funds								

Project Title: Water Resource Plan								
Department: Water Enterprise								
Description and Justification: City Council set water management as a top priority in the Water Enterprise Fund for the last several years. Water resources are critical to the City of Fernley's future. Staff will be working on developing a basic Water Resource Plan during FY 2017/18 focusing on limited resources in managing the water resource program. This plan will officially document and provide policy related to the City's ability to provide a sustainable water supply to its customers in periods of above and below average precipitation. The plan will begin during FY 2017/18 and additional services will be addressed in FY 2018/19. Funding for this project will come from "in-lieu-of fees," that were collected and set aside specifically to expand the use of surface water within the City of Fernley. A Water Resource Plan will provide policy related to the City's ability to provide sustainable water supply to customers and will address source water reliability, management of water resources, future water resources, and water rights.								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Continue with planning for future resources.								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design	2	510.810.320	120,000	120,000				
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			\$ 120,000	\$ 120,000				
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund			(5) Capital Fund		(7) Other
(2) Water Enterprise Fund			(4) Federal Grants			(6) RCT Funds		

## Wastewater Enterprise Capital Projects

Project Title: Hardie Lane Sewer Line Replacement								
Department: Wastewater								
Description and Justification:								
This project will design and construct improvements to portions of the City's wastewater collection system, found to be failing.								
The City has received multiple grants to reconstruct Hardie Lane. Design and Construction of portions of the sewer mains beneath Hardie Lane should occur in conjunction with the Hardie Lane Safe Routes to School and Roadway Reconstruction improvements. Performing the work while the street is being reconstructed is economically and operationally more efficient than if it were scoped as a separate project. The City will realize savings on design and construction by including it in the Hardie Lane Project.								
Currently, the manholes are in severe disrepair. The existing lines are near capacity and are unable to be inspected. This area of town is part of the older portion of Fernley and the infrastructure is nearing the end of its useful service life. The sewer portion of the Hardie Lane Reconstruction Project will include replacement of approximately 470 linear feet of sewer line from Main Street to Cedar Street.								
Relationship to Strategic Plan: (Community Goals) "To improve the quality of life enjoyed by the community's residents and enhance continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability."								
Relationship to Council Priorities: FY 2018/19 Budget Priorities, as approved at the December 06, 2017 Fernley City Council Meeting: Asset Management and Funding Plan								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	3		76,000	76,000				
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			76,000	76,000				
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund			(5) Capital Fund		
(2) Water Enterprise Fund			(4) Federal Grants			(6) RCT Funds		
						(7) Other		

Project Title: Villa Way, Parkland, and Randon Court Sewer Main Replacement Design								
Department: Wastewater								
Description and Justification: The sewer mains in Villa Way, Parkland, and Randon Court have recently been inspected by the wastewater department and were found to be obstructed with roots and in poor condition. The concrete sewer mains were installed in 1978 (40 years old) and, in addition to the root intrusion, they have been eroded over time by sewer gases.  This project will fund the cost of the design if the replacement sewer mains. The construction of the sewer mains will be budgeted for FY 19/20. The project will be scoped to replace the lines that are located in City's right of way only and not disturb the sewer mains located on private property.								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Infrastructure maintenance								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design	3		50,000	50,000				
C. Land Acquisition								
D. Construction	3		250,000		\$ 250,000			
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			300,000	50,000	\$ 250,000			
Source of Funds Legend (1) General Fund (2) Water Enterprise Fund (3) Sewer Enterprise Fund (4) Federal Grants (5) Capital Fund (6) RCT Funds (7) Other								

Project Title: Farm District Road Lift Station PER and Final Design								
Department: Wastewater								
Description and Justification: This project will pay for a preliminary engineering report that will explore options for solutions to some of the issues with the current sewage lift station including, capacity, odor control, wet well liner condition, pump condition and any other items that may be discovered during the PER process. Upon receipt of the PER, staff will evaluate the options presented and direct the consultant to put those recommendations into a formal design proposal. Staff will have the consultant progress the design so that the project will be ready for advertising and bidding early the following fiscal year. This project is vital for ensuring that one of the City's main lift stations continues to operate and serve the citizens of Fernley.								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Infrastructure maintenance								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study	3		\$ 10,000	\$ 10,000				
B. Design	3		80,000	80,000				
C. Land Acquisition								
D. Construction	3		620,000		620,000			
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			710,000	90,000	620,000			
Source of Funds Legend (1) General Fund (2) Water Enterprise Fund (3) Sewer Enterprise Fund (4) Federal Grants (5) Capital Fund (6) RCT Funds (7) Other								



Project Title: West Street Lateral Reconstruction								
Department: Wastewater								
Description and Justification: The wastewater department has found that two homes on West Street were originally constructed and connected to one sewer lateral. The proposed project will tap two new laterals into the sewer main and extend them to the property line of each parcel. Each homeowner may then connect to the new sewer laterals when they are ready.								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Infrastructure maintenance								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	3		\$ 20,000	\$ 20,000				
E. Furnishings/ Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			20,000	20,000				
Source of Funds Legend (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund                      (4) Federal Grants                      (6) RCT Funds								

Project Title: East Lift Station Cutter Heads and Brushes								
Department: Wastewater								
Description and Justification: The cutters and auger brushes in the Headworks at the City's East Lift Station are at the end of their useful service life. Currently, the Wastewater Staff is manually cleaning the auger weekly to free it of debris. The Auger brushes are extremely worn with zero brush material left. Replacement of the brushes will be required in order to keep the perforated screen clean and help transport solids efficiently. This project will purchase new cutter heads and brushes and wastewater staff will install them. A similar project was completed in FY17/18 at the Highway 50 lift station.								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Infrastructure maintenance								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/ Equipment								
F. Departmental Equipment	3		\$ 60,000	\$ 60,000				
G. Contingency								
H. Other								
Total			60,000	60,000				
Source of Funds Legend (1) General Fund                      (3) Sewer Enterprise Fund                      (5) Capital Fund                      (7) Other (2) Water Enterprise Fund        (4) Federal Grants                      (6) RCT Funds								



Project Title: East Lift Station Grit Chamber Chain Replacement								
Department: Wastewater								
<p>Description and Justification:</p> <p>The East Lift Station collect wastewater from 80% of the City of Fernley and pumps it to the treatment facility. Part of this process includes pretreatment of the wastewater. The lift station is equipped with a bar screen to remove rags and large objects from the influent as well as a grit chamber to remove smaller objects and sediment from the waste stream. The grit chamber also aerates the influent before it is pumped to the treatment facility. The grit chamber relies on two large chains (see picture to right) to operate the buckets that scrape the bottom of the chamber to remove the grit. The department has purchased new chains but will need assistance from an outside contractor to install them. The chains themselves are too heavy and cumbersome to be installed without equipment and additional manpower.</p>								
Relationship to Strategic Plan: Community Goal Number 3: To preserve and maintain a quality of life enjoyed by the community's residents and visitors and enhance the continued maintenance and reconstruction of the City's infrastructure with an emphasis on sustainability.								
Relationship to Council Priorities: Infrastructure maintenance								
RECOMMENDED FINANCING								
	Source of Funds/GL		Total Five-Year Cost	Estimated Expenditures by Fiscal Year				
				FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	3	520.810.430	20,000	\$ 20,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
Total			20,000	20,000				
Source of Funds Legend								
(1) General Fund			(3) Sewer Enterprise Fund		(5) Capital Fund		(7) Other	
(2) Water Enterprise Fund			(4) Federal Grants		(6) RCT Funds			

## Section VII - Debt Administration

## Water Ancillary Fee

City Council adopted a resolution for the water ancillary fee (previously called the Water Bond Debt fee). This fee will be collected as part of the Lyon County Property Tax Statement in an amount to the annual Water Enterprise Fund debt service payments (principal and interest).

Previously in 2012, the City Council established a resolution to require a set amount (\$31.08) to be collected on the property tax statement. This amount did not cover the entire cost of the debt service payments. Therefore, the current Council requested the entire amount be collected in response to the recent rate study information (2016).

The Water Ancillary Fee will be collected as part of the Lyon County Property Tax Statement. The schedule below shows the multiplier established by meter size. An adjustment will be made for the revenue requirement in May, which will include any additional meters added to the system as well as an adjustment for the bond refinancing.

2019 Water Bond Fee - Updated Users 5/5/2017				
Meter Size	Accounts	Multiplier	Monthly Rate	Monthly Revenue
0.75	6,875	1	\$ 39.22	\$ 269,660
1	136	1.67	\$ 65.50	\$ 8,908
1.5	59	4	\$ 156.89	\$ 9,257
2	141	6.33	\$ 248.28	\$ 35,008
3	5	15	\$ 568.74	\$ 2,844
4	15	20	\$ 784.47	\$ 11,767
6	4	45	\$ 1,765.05	\$ 7,060
will serve	1,329	0.6	\$ 23.53	\$ 31,274
	8,564			
				\$ 375,778
		4,509,367	Annual Revenue	\$ 4,509,336

2019 Water Fund Debt Service Requirements	
Bond Principal	2,374,367
Bond Interest	2,135,000
Total	4,509,367

\*\*The information above is an estimated amount based upon the current number of meters in the system. The calculation will be completed in May when the information is transferred to the Lyon County Assessor's Office to be included on the tax rolls.

## Section VIII - Budget Structure

## Funds

### Fund Structure and Budget Basis

The accounts of the City of Fernley are organized based on funds and account groups, each of which is considered a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and how spending activities are controlled. The various funds are grouped into this report into fund types with four broad categories as follows. The following numbering system is standard in governmental accounting:

#### Government Funds:

**General Fund (Fund 100):** The General Fund is the general operating fund for the City. This fund accounts for all transactions not recorded in other funds and receives financial support from such sources as property taxes, sales taxes, fees, and intergovernmental revenues. Expenditures are authorized in the General Fund budget and include such areas as general government, parks, streets, planning, judicial, and others.

**Special Revenue Funds (Funds 200-299):** Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**Capital Project Funds (Funds 300-399):** Capital project funds account for financial resources used for the acquisition or construction of capital projects. These funds are often used to set aside money for projects identified in the Capital Improvement Plan.

#### Proprietary Funds:

**Enterprise Funds (Funds 500-599):** Enterprise funds are used to account for the revenues earned, expenses incurred, and net income for business-type functions. These businesses are financed from fees paid by the users of the systems.

#### Fiduciary Funds:

**Trust and Agency Funds (Funds 700-799):** Trust and Agency Funds are used to account for money that “passes through” the City or that is otherwise outside of the control of the City Council.

The basis for budgeting is Generally Accepted Accounting Principles. The City does not budget at the government wide financial statement level. The funds in the budget are prepared per Generally Accepted Accounting Principles for the fund financial statements. In the General Fund, Special Revenue Funds, and Capital Project Fund, the budget is based on current financial resources management focus and the modified accrual basis of accounting. In the Enterprise Funds, the budget is based on the economic resources measurement focus and the accrual basis of accounting.



## Section IX - Policies and Procedures

## Financial and Program Policies

The Fernley City Council has the responsibility to set the budget and establish tax rates for City operations. The Fernley City Council then is responsible for monitoring the budget throughout the year and establishing systems to safeguard City assets.

The City uses a fund accounting system as recommended by the National Council on Governmental Accounting. Fund accounting is needed to demonstrate compliance with regulations governing funding sources. Depending on the fund type, the basis of accounting may be different. The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The budgetary basis is the same as Generally Accepted Accounting Principles (GAAP). Formal budgetary integration is employed as a management control device during the year. Encumbrance accounting is used for major purchases through a computerized purchase order system that interfaces with the Accounts Payable and General Ledger modules.

**Major financial and program policies are listed below.**

### **Efficient Safeguarding of Assets:**

Management of the City of Fernley is responsible for establishing and maintaining an internal control structure designed to ensure the assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Proper authorization is required for encumbrance or expenditure of funds. The proper department must have adequate appropriation available prior to approval of the purchase. The City does not currently use a centralized purchasing function and has not adopted purchasing policies more stringent than state law. Per state law, at least two documented quotes must be attached to purchases between \$5000 and \$10,000 and the City Manager is authorized to sign contracts under \$10,000. Either formal bids or advertising of intent to award a bid are required for purchases between \$10,000 and \$25,000 per NRS 332.036 and the City Council must formally award the bid. Purchases exceeding \$25,000 must be advertised and competitively bid. Splitting of orders, allowance for non-monetary items, or any other practices that might be construed as circumventing the purchasing process are unacceptable. Management is also responsible for adequately addressing risk and insurance issues to efficiently safeguard City assets.

**Fund Balance and Contingencies:**

The City's general fund unassigned fund balance should be maintained at an amount (equivalent to 8.3%) pursuant to the City's fund balance policy. The projected annual expenditures before transfers and contingency for the general fund are 12,668,571; ending fund balance for all categories in the general fund is projected to be 1,137,564. Under State of Nevada statutes, the maximum contingency allowed is 3% of expenditures. Therefore, the contingency in the general fund is established at \$373,502.

**Balanced Budget:**

The annual budget should be balanced with current revenues equal to or greater than current expenditures/expenses. The primary mechanisms, in order of priority, for balancing the budget are (1) improve productivity, (2) improve revenues (3) establish fees consistent with the cost of providing the service, (4) reduce programs, (5) use fund balances more than target amounts, and, lastly, (6) increase property tax rates.

**Tax Rate:**

The tax rate should be set at a rate adequate to produce revenues needed to pay for City services, as approved by the City Council, and to provide a stable revenue source. In this Budget, the tax rate for FY 2018-2019 was changed to .6718. Due to the challenges with the property tax system in the State of Nevada, tax caps and depreciation will continue to have an impact on the revenue for the City of Fernley.

**Capital Improvement Plan:**

The City will establish an annual process to plan, prioritize and identify financing for replacement of existing capital that is worn out or to create new capital projects. New capital projects or programs will not be implemented until a plan for financing the operation and maintenance of the project or program is identified and quantified. The Capital Fund should be used to establish a budget to prepare a more formal CIP with more financial projections and a more in depth analysis of funding alternatives to establish prudent public policy and to determine sources of funds for capital expenditures.

**Investments:**

Investments made by the City will be in conformance with State statutes and any investment policies that may be adopted by the City Council. All investments will address safety, liquidity, and yield. Interest earned from investment of available cash will be distributed to funds per the average balance per "ownership" of each fund in the total invested cash. Investments should be adequately collateralized.

**Utility Rates:**

The City will periodically review utility rates and establish rates that will generate revenues adequate to cover operating expenses, debt service, and capital replacements/expansions in the water distribution, water treatment, and sewage collection systems. The water and sewer rates will require review and increases in the future.

**Pursue other funding sources:**

The City will continue to pursue other sources of funding, such as grants and partnerships, to improve services to the community. The City will also examine alternatives by reviewing business license fees, franchise fees, and other fee structures within the City.

## Preparation Calendar for FY 2018/2019 Budget

Date	Day	Action
December 6, 2017	Wednesday	Regular City Council Meeting - City Council to review priorities
December 6, 2017	Wednesday	Regular City Council Meeting - City Council to approve budget calendar for FY 2017-2018 Budget
December 15, 2017	Friday	City Manager review and approval of budget instruction manual.
December 22, 2017	Friday	Distribution of Budget Request Instruction Manual to Dept. Heads.
January 19, 2018	Friday	Deadline for submission of Budget Requests
January 22 - 26, 2018	M-F	City Manager and City Treasurer review all submissions and prepare outline for a recommended budget, and prepare for meetings with departments.
January 30	Monday	Receipt of maximum tax rate letter from Dept. of Taxation
February 5	M-F	City Manager and City Treasurer meet with departments to review and make determinations for inclusion in the recommended budget.
February 15	Thursday	Department of Taxation provides Preliminary Revenue Projections package, to be reviewed by City Manager and City Treasurer.
February 20	Tuesday	Last day for local government entities to notify Department of Taxation about proposed tax rate changes.
February 21	Wednesday	Presentation and Budget Workshop for Special Funds to City Council including Grants Fund, Transient Lodging Tax Fund, and Court Administrative Fee Fund.
Feb. 19 - 23, 2018	M-F	City Manager and City Treasurer meet with departments for any revisions necessitated by Preliminary Revenue Projections.
March 1	Wednesday	Governor certifies population for distribution of Cigarette, Liquor, Basic City/County Relief Tax and Gasoline Tax (NRS 370.260; 369.173; 377.055(3), and 360.285).
March 7	Wednesday	Regular City Council meeting. Designation of auditor or auditing firm must be made no later than three months prior to the close of the fiscal year. Department of Taxation is to be notified of the designation (NRS 354.624).
March 15	Thursday	Department of Taxation provides Final Revenue Projections Package, specifically for Motor Vehicle Fuel tax and Consolidated tax for non-school entities for use in preparing the tentative budget document. The final estimates of net proceeds of minerals for calendar year 2018 are also included.
March 25		Department of Taxation provides Final Abated Revenue Projections (pro-forma) package for property taxes. (NRS 361.4535(2)).
March 28 - 30, 2017	W - F	City Manager and City Treasurer meet with department heads after receipt of final property tax revenue projections
March 31	Friday	Issuance of tentative budget and recommended Five-Year Capital Improvement Program to Mayor, City Council and any other interested parties.
April 4	Wednesday	Regular City Council Meeting
April 5	Thursday	City Council Budget Workshop
April 6	Friday	City Council Budget Workshop
April 9	Monday	City Council Budget Workshop
April 10 - 12	Tues - Thurs	Treasurer to prepare Dept. of Taxation tentative budget document
April 16	Monday	Tentative Budget submitted to Department of Taxation (NRS 354.596).
May 4	Thursday	Notice of Public Hearing published (NRS 354.596).
May 7	Monday	City Council Budget Workshop
May 10	Thursday	City Council Budget Workshop
May 21	Monday	Public Hearing on Tentative City Budget (NRS 354.596). New Legislation states the public hearing on the tentative budget must be held by the governing body not sooner than the third Monday in May and not later than the last day in May.
May 23	Wednesday	City Council Budget Workshop - Final Budget/Adoption
June 1	Wednesday	The final budget for all local government shall be adopted on or before this date and shall be filed with the county clerk and the Department of Taxation. (NRS 354.598).

## Section X - Community Profile

Fernley, Nevada was established in 1904, and because of the “Newlands Project,” which brought water from the Truckee River, developed as primarily an agricultural and ranching community. Early in its history, Fernley established its first schoolhouse. The one-room school house is still in use today as the home of the Fernley Chamber of Commerce.

In 1905, the Fernley station was listed on the official railroad guide, and in December 1913, grading started for the new Fernley Depot, which was completed in August of 1914. The Depot was in use until the Southern Pacific Railroad closed it in September, 1985. In January, 1986, the Depot was moved to its present location on Main Street, located in the heart of downtown, and is a symbol of the community’s rich history.

Fernley was established as a “township” in the 1930’s with the Lyon County Board of Commissioners as the governing body for Fernley. In 1985, the citizens installed a self-governing “town board” separate from the Lyon County Board of Commissioners. Effective July 1, 2001, Fernley incorporated as a city and assumed additional functions. All matters of development and business go before either the Fernley City Council or the Fernley Planning Commission. The North Lyon Country Fire Protection District provides fire protection services and paramedic services as a separate taxing entity. The County provides a Sheriff Substation and County Sheriff provides law enforcement in the City of Fernley. In October 2002, the City established separate municipal court operations. The County also provides certain services within Fernley such as operation of the Canal Township Justice Court, senior center, indigent programs, public health nurse and library. The City took over operations and maintenance of the Cemetery from the County in 2012.

Fernley is an easy ½ hour drive to the historic Fort Churchill, the Buckland Station (currently being restored), and a “Pony Express” station. Fernley is just an hour’s drive to historic Native American Petroglyphs (east of Fallon) and Virginia City (to the Southwest). Historic Ghost Towns and mine sites are all within a day’s drive of Fernley. Fernley is close to outdoor activities such as hunting and fishing, including Lake Tahoe, Lahontan Reservoir, Pyramid Lake and Walker Lake. The Fernley Wildlife Management area joins Fernley on the east with the Truckee River canal on the west. Fernley has fifteen (15) parks including tennis and basketball courts, a skate park, lighted baseball and softball fields, the rodeo grounds and Main Street Park, which houses art sculptures, which were obtained through a partnership with the Black Rocks Arts Foundation. Off road adventures include a professional ATV racetrack, the Fernley Raceway, and a BMX track. The 18-hole Golf Club at Fernley provides recreational opportunities and full services in the clubhouse. Fernley offers a high quality of life and includes ample workforce for labor, administration, and clerical positions.

The City of Fernley currently finds itself in a favorable and unique position relative to the rest of northern Nevada. Strategically located along a major railroad corridor and at the intersections of U.S. Interstate 80, U.S. Highway 50, and U.S. Highway 95, and approximately 45 minutes from the Reno Tahoe International Airport and approximately

15 minutes from the northern entrance of the Tahoe-Reno Industrial Center, Fernley has benefited significantly from its physical location. Since the Great Recession, Fernley has returned to a long-term growth trend of strong and positive demographic and economic growth. This growth, since the Great Recession, has seen significant and positive improvement in the various socio-demographic conditions. Locally, the City of Fernley's positive socio-demographic, economic, and employment growth has positioned the community as a primary driver of economic growth for Lyon County.

However, the City's land use, and ultimately its current housing stock, remains dominated by single-family residential uses. For the immediate future, Fernley's land use will likely continue to be dominated by future development of additional single-family residential units. As a result, without a renewed consideration of diversifying the community's overall land use pattern, and without incorporating complimentary community development and economic development strategies, Fernley's long-term improvement in its existing socio-demographic and economic conditions may become hampered.

As a whole, northern Nevada is in the midst of large-scale socio-demographic and economic transformation. Historically, the northern Nevada economy has been dominated by the relative importance of tourism-oriented development and growth strategies. Subsequently, secondary employment opportunities throughout northern Nevada have oriented towards lower-pay and lower-skill commercial and retail employment opportunities. This has placed downward pressures on measures of household, family and per capital income and have generally prevented individual residents throughout the region from achieving home ownership, especially within the immediate Reno-Sparks Metropolitan Statistical Area. As a result, communities such as Fernley have experienced significant population growth due to the general availability of land and the general affordability of homes and other residential opportunities. This historical pattern has generally lead to the trend of a large portion of the region's residential population and workforce living in one county or community and commuting to employment centers found in other larger communities located across county lines.

Northern Nevada's economic recovery from the Great Recession has largely been driven by the introduction of new higher-pay and higher-skill employment opportunities, several of which have located outside the traditional Reno-Sparks Metropolitan Statistical Area. Post-recession, the region has seen considerable investment and employment growth in the Tahoe-Reno Industrial Center and in lands located adjacent to the industrial park. New mega-employers, such as Apple, Switch, and Tesla, have led the region's recovery and have significantly contributed to significant increases in area population and in area housing prices.

Yet, the City of Fernley has yet to fully capitalize on these fundamental shifts in the region's socio-demographic and economic characteristics. A lack of new commercial-retail development, a general lack of alternative residential development, mainly anything but single-family detached residential including multi-family and alternative



owner-occupied housing, and a general lack of new industrial and manufacturing development, leaves Fernley susceptible to failure in attracting new residents and businesses with a variety of socio-demographic and economic characteristics. Since the Great Recession, Fernley has continued to see its population increase as a result of continued in-migration of individuals who either are willing to commute outside the community for employment or individuals who are approaching retirement age.

There are significant opportunities for Fernley to consider in long-term land use, community development, and economic development. Immediately, the continued growth and expansion of the Tahoe-Reno Industrial Center over the past decade has resulted in significant increases in land prices and in the cost of development within the industrial center. As a result, smaller and mid-sized manufacturers, while still wanting to be relatively close to large buyers located within the Tahoe-Reno Industrial Center, have already begun to express interest in developing new properties in Fernley. Fernley's excellent strategic physical location, relative to a variety of transportation alternatives and major employment and population centers, continues to make the community attractive to new investment by smaller and mid-sized manufacturers.

In order to support future industrial and manufacturing development, that could potentially begin to offer higher-pay and higher-skill employment opportunities within the community, the City of Fernley will have to consider a variety of land use, community development, and economic development strategies designed to diversify its current housing stock and economic profile with additional professional and commercial office space and additional retail space. The incorporation of non-single-family detached residential owner-occupied housing options, with additional multi-family and renter-occupied housing options sited in appropriate areas within the community, will be critical in securing future private investment in the development of new smaller and mid-sized manufacturing space. The diversification of the community's existing housing stock, coupled with improvements in the types of employment opportunities and retail and recreational opportunities offered, will be necessary to support the community's continued prosperity and growth.

## Section XI - Glossary of Budget Terminology

The City's proposed budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of this document to understand terms, a glossary of budgetary terminology has been included.

### **Adopted Budget**

Revenues and appropriations adopted by the Mayor and City Council in May for the following fiscal year.

### **Abatement**

In 2005, the Nevada Legislature determined that rising real property values had placed an unreasonable property tax burden on taxpayers. To address the problem, the Legislature adopted an abatement scheme which has been codified at NRS 361.471 to 361.4735, inclusive. The abatement in effect is a limitation on the increase in taxes and is generally called a "tax cap."

### **Accrual Accounting**

A basis of accounting in which revenues are recorded when earned and expenses are recorded at the time they are incurred, instead of when cash is received or disbursed (See funds)

### **Ad Valorem Tax (property tax)**

A tax levied on the assessed valuation of real property (see Revenues). Nevada Revised Statutes (NRS) 361.453 sets a maximum tax rate of \$3.64 per \$100 of assessed valuation.

### **Amortization**

The accounting process of allocating the cost of intangible assets to expense in a systematic and rational manner to those periods expected to benefit from the use of the intangible asset. Assets that would be considered intangible assets eligible for amortization would be items, such as patents or copyrights.

### **Appropriations**

An authorization made by the Mayor and City Council, which permits the City to obligate and expend governmental resources. Appropriates are generally made in fixed amounts and by state law are granted for a one-year period.

### **Assessed Valuation (AV)**

A value established for real property for use as a basis for levying property taxes. The assess value is thirty-five percent (35%) of taxable value. The Lyon County Assessor is responsible for all appraisal activity.

### **Balanced Budget**

The State of Nevada requires that all governmental entities file a balanced budget. This is accomplished by having revenues and sue of fund balance or retained earnings that equal expenditures and ending fund balance.

**Bonds**

Debt issued for more than one year to raise funds to complete capital projects.

**Budget**

A comprehensive financial plan of operation for a specified period that matches all planned revenues and expenditures with various municipal services.

**Budget Augmentation**

A legal procedure allowed by law for revisions that alter the total appropriations of a fund. An augmentation results in increased expenditures for the fund.

**Budget Document**

The official written statement prepared by the City staff reflecting the decisions made by the Mayor and City Council in budget deliberations. The City submits that document to the State Department of Taxation to meet Nevada Revised Statute requirements. A separate document is prepared for distribution to staff and public.

**Budget Revision**

A budget revision is a shift in appropriations between two or more line item accounts. A budget revision does not result in increased appropriations.

**Capital Equipment**

Equipment with a value in excess of \$10,000 and an expected life of more than one year.

**Capital Improvements**

Major construction, repair of or addition to buildings, parks, streets, bridges and other facilities.

**Capital Improvement Program (CIP)**

A plan for capital expenditures to provide for the acquisition, expansion or rehabilitation of an element of the City's physical plan to be incurred over a fixed period of several future years.

**Capital Outlay/Improvements**

An outlay for acquiring or building capital projects, infrastructure, furniture, fixtures and equipment. Governmental accounting requires capitalizing (depreciating) such items in the enterprise funds (water and sewer). It requires expending items in the governmental funds (general and special revenue funds).

**Capital Projects Funds**

These funds account for the financial resources to be used for the acquisition and/or construction of major capital facilities, other than those financed by proprietary funds. Each year, the City appropriates funds for the work to be completed that fiscal year; fund balances are designated for the completion of the projects over a period of years. Examples of projects are streets, sewer lines and drains. (See Funds)

### **Cash flow Statement**

The cash flow statement reports the *cash* generated and used during the period and includes beginning and ending *cash* balances, and separated into three (3) sections:

- Operating Activities: involves transactions that are associated with providing services to customers such as cash receipts from sales of services and cash payments to suppliers and employees.
- Financing Activities: involves obtaining loans or bond funding and repaying amounts borrowed and the collection of fees and revenues to cover the cost of financing long-lived assets.
- Investing Activities: generally, involves transactions associated with the acquisition and disposal of investments and other long-lived assets.

### **Consumer Price Index (CPI)**

Issued by the Federal Bureau of Labor Statistics, this program produces monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services. This economic statistic is commonly used to adjust dollar values.

### **Current Resources Focus (Governmental Funds)**

Resources to which recourse can be had to meet current obligations and expenditures. Examples are estimated revenues of a particular period not yet realized, transfers from other funds authorized but not received. Long term assets and liabilities are not reported in government fund financial statements. All capital outlays and long-term obligations (principal and interest) are recorded as expenditures.

### **Debt Service**

The payment of principal and interest on borrowed funds.

### **Depreciation (non-cash transaction)**

A non-cash transaction that is a cost to the City. The purpose of depreciating an asset is to allocate its cost over the life of the asset and during the intended use of the asset. Therefore, the asset's life must be determined when booked. The capitalization of all enterprise assets including infrastructure, is necessary.

### **Enterprise Fund**

Enterprise funds are used to account for operations that are either financed or operated in a manner like private business, or when the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for public policy, management control, accountability or other purposes. Rate schedules for services provided are usually established to ensure that revenues are adequate to meet necessary expenditures.

### **Expenditure**

Utilization of fund resources. Expenditures include operating costs, debt service and capital outlays.

**Expenses (Enterprise Funds)**

Charges incurred, whether paid or unpaid, for operation, maintenance, interest and other charges presumed to benefit the current fiscal period. Included cash and non-cash transactions such as depreciation and Other Post-Employment Benefits (OPEB). An expense is the use of a resource whether it is cash or non-cash.

**Fiscal Year (FY)**

The beginning and ending period for recording financial transactions. The City's fiscal year begin July 1 and ends June 30 the following year.

**Fixed Assets**

Assets of a long-term character which are intended to be held or used, such as land, buildings, machinery, furniture and other equipment. All items with a useful life of more than one year and a cost in excess of \$10,000 are classified as fixed assets.

**Fund**

A fiscal and accounting entity for which the recording of financial transactions is made to carry on specific activities in accordance with the requirements placed upon the use of financial resources.

A fund is a fiscal and accounting entity with a self-balancing set of accounts.

Governments use several types of funds, listed below:

- **General Fund:** A governmental fund and is the City's primary operating fund accounted for using the modified accrual basis of accounting. It accounts for the accumulation of all financial resources of the general government except for those to be account for in another fund. The general fund consists of several cost centers to include: Mayor/Council; City Manager; City Clerk; City Attorney; City Treasurer/ Finance; Information Technology; Municipal Court; Streets and Storm Drains; Vector Control; Parks; Cemetery; Facilities; Animal Control; Planning; and Building Services.
- **Water Utility Fund:** An enterprise fund accounted for using the accrual basis of accounting, which is why cash flow statements are presented along with the budget. The Water fund accounts for the delivery of water services. All activities necessary to provide such services are accounted for in this fund and include administration, operations, maintenance, financing and related debt service, billing and collections. Enterprise funds should be self-supporting funds, which means the costs (including depreciation) of providing goods or services are financed or recovered primarily through charges to the user.
- **Wastewater Utility Fund:** Also, an enterprise fund accounted for using the accrual basis of accounting. The wastewater fund accounts for the collection and transmission of sewage. All activities necessary to provide such services are accounted for in this fund and include administration, operations, maintenance, financing and related debt service, billing and collections.

- **Special Revenue Funds:** Set up to account for specific revenue sources and are restricted by law for specific purposes. Special revenue funds are governmental type funds and are accounted for using the modified accrual basis of accounting. Following are the City's special revenue funds:
- **Transient Lodging Tax Fund:** Set up to account for accommodations tax revenue used to pay for grant awards given out by the City of Fernley. A portion of this fund's equity balance is committed for a future Community/Civic Center.
- **Grants Fund:** Set up to account for revenue received from donors. Grants are used to pay for various City projects.
- **Capital Fund:** In the past, the source of revenue for this fund included transfers from the general fund. This fund pays for approved City capital projects.
- **Court Assessment Fee Fund:** The source of revenue for this fund includes administrative assessments rendered against defendants. The money collected may be used to improve the operations of the court and the acquisition or use of advanced technology.
- **Court Capital Fund:** The source of revenue for this fund includes administrative assessments rendered against defendants. The money collected may be used only for capital projects pertaining to the court. Examples include land, furniture, fixtures, equipment, renovations, etc.
- **RCT#1:** This fund accounts for the tax collected and to be used for park development identified in the City of Fernley park plan.
- **Capital Improvement Fund:** This fund was set up to account for revenue received from Lyon County. Lyon County levies a property tax for capital improvements and by law the County must send a portion to the City, which must be used for the same.

### **Fund Balance**

The excess of assets over liabilities. A negative fund balance is called a deficit. A positive ending fund balance from one fiscal year is used as a resource for the following fiscal year's activities. (The ending fund balance for one fiscal year is the same amount as the beginning fund balance for the following fiscal year). The change in fund balance is reflected on the statement of revenues, expenditures and changes in fund balance. Fund balance is broken out into categories: non-spendable, restricted, committed, assigned and unassigned. Fund balance is the portion of fund equity available for appropriation.

### **Fund Equity (Governmental Funds)**

The excess of fund assets and resources over fund liabilities (total assets less total liabilities).

**General Obligation Bonds**

Bonds issued with the full faith and credit of the City. Repayment of these bonds has first call on the resources of the City.

**Infrastructure**

The physical facilities owned and maintained by the City. They including buildings, streets, traffic signals and equipment, bridges, culverts, sewer and storm drain pipes, and equipment and parks.

**Interest Earnings**

Revenue earned on invested and idle funds. The City pools its cash and invests it in accordance with its adopted investment policy. Interest earnings are then allocated to the individual funds based upon their average cash balance.

**Interfund Reimbursements**

Represents repayments for particular expenditures or expenses to funds outside the funds that initially paid for them.

**Modified Accrual Basis of Accounting (Governmental Funds)**

For use by governmental funds. Revenues are recognized in the period in which they become available and measurable and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

**Net Position (Enterprise Funds)**

The difference between total assets and total liabilities. The change in net position is reflected on the statement of revenues, expenses and changes in net position. The change in net position is an indicator of whether the City's resources are growing and performance over time.

**Nevada Administrative Code (NAC)**

The codified, administrative regulations of the Executive Branch of the State of Nevada for all governmental entities to follow.

**Nevada Revised Statutes (NRS)**

The codified laws of the State of Nevada for all governmental agencies to follow.

**Non-operating Expenses**

Expenses incurred for non-operating activities or in the performance of activities not directly related to supplying the basic service by a governmental enterprise. An example is interest paid on bonds.

**Objective**

A statement of specific direction, purpose or intent to be accomplished by staff within a program. Objectives should be measurable.



## **Operating Budget**

A financial plan for the provision of direct service and support functions that provide basic governmental services. The operating budget contains appropriations for such expenditures as salaries and benefits, services, supplies, capital outlay and debt service/other.

## **Operating Expenses**

The costs that are necessary for the maintenance of the enterprise, the rendering of the services and the collection of revenues.

## **Program**

An organized set of related work activities which are directed toward accomplishing a goal. Each City department is responsible for several related service programs.

## **Property Tax Rate**

The amount of tax levied for each \$100 of assessed valuation. It is also called the ad valorem tax rate.

## **Reserve**

A portion of fund balance earmarked to indicate 1) that it is not available for expenditure, or 2) is legally segregated for a specific future use.

## **Resources**

Assets that can be used to fund expenditures.

## **Revenue**

Income received from various sources used to finance government services. For example, sales tax revenue. The State of Nevada classifies revenues into the following categories:

- **Taxes:** This category is primarily the ad valorem tax, which is restricted by State law.
- **Licenses and Permits:** A license issued by a local government which allows a business to conduct a business or activity for an extended period. A permit generally restricts the activity to a specific date and place. Business licenses and building permits constitute the major portion of this category of revenues, but it also includes liquor licenses, City gaming licenses, animal licenses, and franchise fees. Limitations on these revenues are State imposed.
- **Intergovernmental Revenues:** Those resources that are collected by another government and are disbursed to the City based upon statutory authority and a set formula. They include: grants, cigarette tax, liquor tax, Basic and Supplemental City-County Relief Tax (sales tax), motor vehicle privilege tax, county gaming licenses and real property transfer tax. Most intergovernmental revenues are distributed by a formula based on revenues received in the previous year and growth in assessed valuation and population.

- **Charges for Service:** The City charges businesses and residents for providing some specific service of direct benefit for that business or person.
- **Fines and Forfeits:** These are fines and warrant revenues resulting from misdemeanor violations, traffic and parking violations, etc. occurring within City limits and imposed by the municipal court. In addition, it includes penalties assess for delinquent payment of business licenses.

### **Risk Management**

The identification and control of risk and liabilities incurred by a local government to conserve resources used for accidental losses. The City's Risk Management program is managed by the City Manager's Office with the assistance of the City Attorney.

### **User Fees**

Fees charged to users of a particular service provided by the City.

### **Ward**

There are five Wards in the City of Fernley. Wards are political boundaries to determine Council areas of representation.

## Section XII – Final Word

Thank you for reading through this budget document. The budget process begins in December of each year with the establishment of Council Priorities and Budget Calendar for the following fiscal year, followed by meetings with Senior Staff, the City Treasurer, and the City Manager compiling information to present for the formal budget process. The formal budget process concludes with the budget workshops before the Mayor and City Council and a public hearing to formally adopt the budget in May, as required by state law.

The City would like to take this opportunity to recognize staff throughout the City that conduct analysis, project revenues and expenses and monitor fund and departmental budgets. This teamwork is invaluable. The process of budgeting is a year-round activity which involves close monitoring, problem solving and planning for the future. Customer service to the City and the community is essential for the completion of the budget. Please take a moment to complete and submit your responses to the questions on the next page.

The City provides information on the website at [www.cityoffernley.org](http://www.cityoffernley.org).

The mailing address is:

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## Budget Document Comments

Your opinion is important to us. Please take a minute and tell us what you think about the budget document. Your comments will help us improve this document for the future.

- **Readability:** Is the subject matter presented in an easy to read format and in terms that are understandable?

1	2	3	4	5
Difficult	Somewhat Difficult	Adequate	OK	Very Easy

- Using a scale of (1) not helpful, (2) helpful, and (3) very helpful, please rate the following sections:

Section I – Overview  
 Section II – Budget Summary  
 Section III – Department Budgets  
 Section IV – Enterprise Funds  
 Section V – Special Funds  
 Section VI – Debt Administration  
 Section VII – Budget Structure  
 Section VIII – Policies  
 Section IX – Community Profile  
 Section X – Community Profile  
 Section XI – Glossary of Budget Terminology

- **Content:** What would you like to see added, expanded, reduced or removed?
- **Overall Impression:** How would you rate the entire document?

1	2	3	4	5
Start Over	Minimal Help	OK	Answered Most Questions	Very Helpful

- **May we contact you for additional information?**      Yes      No  
 E-mail / phone: \_\_\_\_\_

- **General Comments:**

Please send to:

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# Appendix

- Position Control
- Organizational Chart

Note: Copies may be requested at [dhooper@cityoffernley.org](mailto:dhooper@cityoffernley.org)